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Committee Secretary
House of Representatives Standing Committee
on Infrastructure and Communications
Inquiry into IT Pricing
PO Box 6021
Parliament House
CANBERRA ACT 2600
AUSTRALIA

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SUBMISSION TO THE HOUSE STANDING COMMITTEE ON INFRASTRUCTURE AND COMMUNICATIONS INQUIRY INTO IT PRICING

I appreciate the deadline for submissions has closed, but as a working photographer and member of the ACMP I have been aware of the inquiry and have had a recent experience regarding an Adobe purchase that I believe might be of interest to the committee.

At the end of June I purchased an upgrade of Adobe software from Adobe's Australian online store. Going to Adobe's Creative Suite (CS) 6 from CS4 was a substantial investment of \$1616.51 GST inc., but one that is necessary given the need to stay up to date in a competitive photographic industry and Adobe's monopoly on software for the photographic and graphic arts industry, which means there are no other comparable products available to me.

Adobe does not have re-sellers for their products, meaning that you have to purchase them from Adobe itself. The transaction was made online at the Australian Adobe store, in Australian dollars and GST was applied to the purchase during the transaction. I chose to order the discs - hence the GST component - rather than download the software because our internet speeds in Launceston are poor. Suffice it to say that when the NBN roll-out happens it will mean a significant change to the way I do business.

A few days later I noticed an 'international transaction fee' of \$37.18 had been applied to the purchase by my bank, the NAB, as the bank deemed the transaction an international transaction, despite all appearances to the contrary as described above. A fairness test by



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any reasonably minded person would show that the transaction was domestic not

international in nature. However, Adobe takes the money in Australian dollars then apparently charges the transaction back from their headquarters in Dublin in a separate, unrelated part of the transaction - hence the fee the NAB applied to my account.

My specific complaint - and one that I acknowledge might fall outside the scope of the enquiry - is that there is no way for me or other consumers to judge what is and is not an 'international transaction' when dealing with Adobe (or anywhere online for that matter) and that NAB and/or the entire banking industry is profiting by imposing a bank fee that can not be protected against - or even budgeted for given that you cannot tell whether the transaction is domestic or not. Without choice in the market - i.e. without a competitor to re-sell Adobe products - customers are incurring additional costs on top of their purchase without the ability to avoid the unfair imposition of the banking fee.

One July 10 the Launceston Business Banking Branch of the NAB advised it has refunded the \$37.18 fee after some robust communications with the bank, however I'm yet to hear from the NAB's complaint resolution department, and if I'd said nothing the fee would have stood.

If my fellow photographers have purchased software from Adobe (which given the monopoly they operate they would have) they too might have incurred a fee for an 'international transaction'. The NAB has suggested that in future I contact the online retailer I'm about to buy something from and ascertain whether their credit card handling is conducted by an 'internationally designated merchant' before I have made my purchase in AUD then shop elsewhere if the purchase will attract the international transaction fee. With Adobe I cannot do that. Also, my thinking is that with reports of some 10 million Australians conducting online transactions that's going to involve an awful lot of phone calls/emails to online retailers and will cruel online retailing - a multi-billion dollar industry.

Regards,

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