

[REDACTED]

From: Louise Wright [REDACTED]
Sent: Thursday, 10 May 2018 3:10 p.m.
To: Registrar
Subject: Ingenico Paymark

Dear Sir / Madam

On behalf of PED NZ Ltd and Perception Technologies Ltd I wish to make a submission regarding the proposed purchase of Paymark by Ingenico.

PED NZ Ltd is the exclusive distributor of Spectra EFTPOS terminals in New Zealand. We import EFTPOS terminals and sell them to independent resellers throughout the country.

Perception Technologies Ltd is a software development company, which writes the software which operates on the Spectra EFTPOS terminals. We develop the software here in New Zealand and then have to get the software and hardware solution certified by Paymark.

PED and Perception are both privately owned New Zealand companies.

I have personally worked in the New Zealand EFTPOS industry for 30 years, I have seen many changes in this time, but through all of those changes Paymark (and its predecessor ETSL) have been a relatively independent body who have always been able to remain impartial with respect to Terminal Vendors, promoting terminal competition and encouraging new suppliers to enter the market.

I would have grave concerns regarding Ingenico owning Paymark. As Ingenico is primarily a very large terminal vendor.

I would suspect that they would simply not be able to remain impartial, and that potentially they could make it very difficult for us as a competing terminal vendor to get our solutions Paymark certified. Note that without a Paymark certification we cannot sell terminals. We do not have a Certification for the only other switch in New Zealand as that is owned by Verifone (another large international terminal vendor).

The biggest concern that I would have is that the New Zealand EFTPOS market would become a two horse race, with only two switches one owned by Verifone and the other by Ingenico.

Ingenico could subsequently control or limit our access to the remaining Paymark switch, and cut suppliers like ourselves out of the market entirely.

It could be very difficult for us to know or more importantly to prove that we were being unfairly disadvantaged, as it could just become extremely difficult to obtain a certification test window, or it could be that the test criteria are made far more difficult for us to achieve than for their own solutions. We would have no way of knowing.

As a smaller supplier it is already difficult to compete with these two behemoths, allowing this purchase to proceed may just be the final nail in our coffin.

I would be more than happy to assist with any further questions that the commission may have.

Kind regards
Louise Wright
Managing Director
PED NZ Ltd
Perception Technologies Ltd

