



Inquiry into IT Pricing

(a) Whether a difference in prices exists between IT hardware and software products, including computer games and consoles, e-books and music and videos sold in Australia over the internet of in retail outlets as compared to markets in the US, UK and economics in the Asia-Pacific;

LENOVO Thinkpad X220 upgrade options

(b) Establish what those differences are;

It is based on the basic model with upgrade options:

1, For Operating System upgrade, the Operating System for basic model is the same and the upgrade option for an Australian buyer is roughly 400% more expensive than the same option for an U.S. buyer. (1st chart is price from LENOVO Australia and the 2nd chart is price from LENOVO U.S.)

Operating system	
☒ Genuine Windows 7 Home Premium (64 bit)	
☐ Genuine Windows 7 Professional (32 bit)	[add AU\$198.99]
☐ Genuine Windows 7 Professional (64 bit)	[add AU\$198.99]

Operating system	Help me decide
☒ Genuine Windows 7 Home Premium (64 bit)	
☐ Genuine Windows 7 Professional (64 bit)	[add \$50.00]

2, For display upgrade, the display model for basic model is the same and the upgrade option for an Australian buyer is 400% more expensive than the same option for an U.S. buyer. (1st chart is price from LENOVO Australia and the 2nd chart is price from LENOVO U.S.)

Display type	
☒ 12.5" HD (1366x768) LED Backlit Display, Mobile Broadband Ready, 2x2 Antenna	
☐ 12.5" HD (1366x768) LED Backlit Display, Mobile Broadband Ready, 3x3 Antenna, No Camera	[AU\$0.00]
☐ 12.5" Premium HD (1366x768) LED Backlit Display, IPS, Mobile Broadband Ready, 2x2 Antenna	[add AU\$220.00]
☐ 12.5" Premium HD (1366x768) LED Backlit Display, IPS, Mobile Broadband Ready, 3x3 Antenna, No Camera	[add AU\$220.00]

Display type [Help me decide](#)

- ☒ **12.5" HD (1366x768) LED Backlit Display, Mobile Broadband Ready, 2x2 Antenna**
- ☐ 12.5" HD (1366x768) LED Backlit Display, Mobile Broadband Ready, 3x3 Antenna, No Camera [add \$0.00]
- ☐ 12.5" Premium HD (1366x768) LED Backlit Display, IPS, Mobile Broadband Ready, 2x2 Antenna [add \$50.00]
- ☐ 12.5" Premium HD (1366x768) LED Backlit Display, IPS, Mobile Broadband Ready, 3x3 Antenna, No Camera [add \$50.00]

2, For battery upgrade, the battery model for basic model is the same and the upgrade option for an Australian buyer is 150% more expensive than the same option for an U.S. buyer. (1st chart is price from LENOVO Australia and the 2nd chart is price from LENOVO U.S.)

Battery

- ☒ **6 Cell Battery**
- ☐ 9 Cell Li-Ion Battery [add AU\$44.00]

Battery [Help me decide](#)

- ☒ **6 Cell Battery**
- ☐ 9 Cell Li-Ion Battery [add \$30.00]

(c) Determine why those differences exist;

All LENOVO Thinkpad X220 are assembled and packed in China and shipped to U.S. / Australia. The shipping cost might be different for shipping to U.S. and Australia; however, the difference in shipping cost should be calculated based on the unit rather than upgrade options.

(d) Establish what the impacts of these differences might be on Australian businesses, governments and households; and

The price difference is a result of region discrimination and direct loss to Australian consumer.

(e) Determine what actions might be taken to help address any differences that operate to the disadvantage to Australian consumers.

The upgrade price for Australian buyer should be aligned with U.S. buyer.

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PC GAME <DIABLO 3>

(b) Establish what those differences are;

If we want to purchase it from battle.net and the residential address is an Australia address, it will be charged \$79.95AUD; if we want to purchase it from battle.net and the residential address is an U.S. address, it will be charged \$59.95USD.

(c) Determine why those differences exist;

1, It is a digital download version and therefore there is no shipping / labour cost involved.

2, The game will be downloaded from U.S. server and there is no dedicated server located in Australia for Australian buyers. In other words, there is no difference in the way the game is delivered (by download) between an U.S. buyer and an Australian buyer.

3, The game will be played in U.S. server and there is no difference in the way the game will be played (on battle.net) between an U.S. buyer and an Australian buyer.

(d) Establish what the impacts of these differences might be on Australian businesses, governments and households; and

The money will be charged directly from an U.S. company and there will be no economic benefit for Australian businesses. The price difference is a result of region discrimination and direct loss to Australian consumer.

(e) Determine what actions might be taken to help address any differences that operate to the disadvantage to Australian consumers.

The digital download price for Australian buyer should be aligned with U.S. buyer.