



Tech firms Data Action and TAS in Merger Discussions

Technology services companies Transaction Solutions Limited (TAS) and Data Action Pty Limited (Data Action) today announced they are in discussions to explore the benefits of a merger of the two companies.

The Adelaide-based Data Action provides banking software and hosting services to the mutual financial services sector, while the Sydney-based TAS provides hosting services, also primarily to the mutual financial services sector.

TAS and Data Action have signed a Heads of Agreement to allow more detailed due diligence over the coming weeks.

TAS Chair Alex Sala said the complementary nature of both businesses means combining operations had the potential to significantly strengthen the competitiveness of the newly-merged entity, while opening up new service opportunities, including diversifying its services and client base in the broader financial services market.

“Both our organisations are leading industry service providers and have a similar heritage, service offering and culture,” said Mr Sala.

“By combining our strengths, we have the potential to increase the scale of our operations and market share, expand our geographic coverage, and access one another’s technologies and complementary resources and capabilities,” he said.

Data Action Chair Wayne Matters said should the merger proceed, the big winner would be the mutual banking sector, which forms much of the client base of the two companies.

“Data Action and TAS both recognise we have a role to play in the success of the mutual sector by working with our clients to create a compelling alternative to the Big Four banks,” said Mr Matters.

“Together, we have the potential to provide greater investment, focus and commitment to deliver the mutual industry with the technical solutions, aggregated services, innovation, and other relevant processing which will underpin its success into the future,” he said.

Credit unions, building societies and, more recently, mutual banks have always thrived on partnerships, so this evolution of Data Action and TAS has the potential to bring considerable benefits through the multiplier effects of increased efficiencies, buying power and expanded services.

Any proposed merged entity would not affect the services provided by either organisation individually; it would simply increase the range of offerings.

Both organisations are excited by the prospect of a merger where there is a strong case to proceed, and look forward to providing further updates as the process unfolds.

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