



15 October 2012

Dear Matthew Hunt

**MetService Smartphone App: Justification for developing and cost-revenue ratio – official information request**

I refer to your emails dated 2 October in which you requested firstly, justification for the development of the app and then in a subsequent email asked for the cost to revenue ratio.

However, we have withheld the information:

- The justification for developing the iPhone App and also the requested ratio under section 9(2)(i) of the Official Information Act 1982 (**the Act**).

The most confidential component of any commercial product or service is its cost of production. Product quality, marketing and sales activity, and pricing information are all usually easy enough for competitors to determine directly or from market sources. However, the nature and cost of production for a product or service is guarded by all organisations as highly valuable because that is quite likely the very factor which gives a company its competitive advantage. If provided with information on a company's production techniques and costs, a competitor has the single most important part of the equation to determine exactly how to target that company for maximum effect.

Our decision to withhold the information referred to above was made after considering whether the withholding of that information was outweighed by other considerations which render it desirable, in the public interest, to make that information available.

As you may be aware, you have the right, under section 28(3) of the Act, to complain to the Ombudsman about our decision to withhold information under the Act.

Yours sincerely



Jacqui Bridges  
General Manager Communications