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Question 3.1: Do you agree with Ofcom's view of the relevant market? If not, please explain why:

We believe that international dial-through services should not be included within the relevant market as they are far more akin to micro-payments and afford CP no market power. See further comments at 5.7 below.

Question 5.7: Do you agree that our proposal to impose a charge control on all other MCPs with SMP is also appropriate? If not, please explain why:

In principle yes, but not when they are offering a different product (eg international dial through) to the four largest MCPs. Our customers have no ties to [X], they call our number ranges simply to deliver a micropayment. As [X] has no subscribers, [X] has no market power over its own mobile numbers as no consumers have any contractual or practical pressure to call them. Instead [X] competes with other means of micropayment - premium rate numbers, credit card top-ups, calling cards, reverse SMS etc in which we have zero market power. We therefore assert that we have zero market power surrounding the use of our own mobile numbers and should therefore be excluded from regulation.

Question 6.3: Do you agree with our analysis and views on dynamic efficiency? If not, please explain why:

As we have previously made Ofcom aware, the data in Table 6 is misleading and factually incorrect. [X] operates a number of termination rates on its ranges. Some are at regulated MTR so need not be shown, but the table shows only the highest termination rates on our number ranges, and none of the intermediate points nor any attempt to show the weighted average. Hence this table appears to show an element of 'profiteering' which would give an unfair impression of our business but no doubt increases the pressure to bring all communication providers down to a single termination rate. Analysis has therefore been undertaken on flawed data.

Question 6.7: Do you agree with our proposal that LRIC should continue to be the appropriate cost standard? If not, please explain why:

Our main use of mobile numbers is to provide an innovative and convenient means for consumers to make low cost international calls. The MTR therefore serves as a 'micropayment' to us. In our view, such usage has not been taken into account in the proposal. It makes no sense to use LRIC in the context of a micropayment where the amount of the payment is the key driver in what products (i.e. destinations) can be offered. Reducing the micropayment will quite simply reduce the choice offered to consumers and we are sure that is not Ofcom's intention given Ofcom's stated support for micropayments.

Question 8.1: Do you agree with our proposed approach to implementing the MCT charge control? If not, please discuss the specific proposals that you disagree with:

Given that [X] has never previously had its MTR regulated, the proposal will have a severe impact on the business. There must be a number of other communications providers in a similar position. We are therefore puzzled why there is such a substantial early drop in MTR followed by nominal reductions over the next 2 years. We note MNOs have been given many years to adjust their business models to account for materially lower MTRs. To give our business a chance of survival it is imperative we see a much more progressive glide path.