



Non-confidential summary of VodafoneThree's response to Ofcom's Call for Inputs on Openreach's proposed commercial offers

1. VodafoneThree welcomes Ofcom's decision to examine Openreach's proposed FTTP and Ethernet commercial offers. Wholesale discounting can play a legitimate role in supporting fibre take-up, affordability and migration from copper, provided it is designed and applied in a way that is consistent with sustainable competition and long-term investment.
2. VodafoneThree's full response has been provided confidentially because it contains commercially sensitive material, including VodafoneThree's assessment of wholesale pricing, supplier economics, sourcing considerations and the potential commercial impact of the offers in the context of ongoing market negotiations.
3. At a high level, VodafoneThree considers that Ofcom should assess the notified offers carefully, both individually and cumulatively. In particular, Ofcom should test whether the design of the offers, including baselines, eligibility rules, performance thresholds, geographic scope and overlapping discount structures operates in a transparent, objective and competitively neutral manner across communications providers.
4. VodafoneThree considers that Ofcom should pay particular attention to whether the offers could create different practical outcomes for providers with different sourcing models, including providers that purchase wholesale access from multiple networks. Ofcom should also consider whether the offers support consumer outcomes and FTTP adoption without weakening incentives for efficient and sustainable infrastructure competition over time.
5. For the proposed national FTTP offer, VodafoneThree considers that baseline setting, eligibility and the interaction with other Openreach commercial arrangements are central to the assessment. For the proposed geographic overlay, VodafoneThree considers that Ofcom should examine whether the geographic scope is appropriately defined and whether the offer could have unintended effects on emerging or established wholesale competition.
6. For the proposed Ethernet offer, VodafoneThree considers that Ofcom should assess whether a nationwide, baseline-linked incentive is consistent with site-by-site competition and investment incentives in business connectivity markets.
7. Overall, VodafoneThree supports Ofcom's scrutiny of the notified offers and considers that any decision should be based on a detailed assessment of their likely practical effects on retail competition, wholesale competition, infrastructure competition, investment incentives and consumer outcomes.