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Dear Sir/Madam

**Assessment of future mobile competition and proposals for the award of 800 MHz and 2.6 GHz spectrum and related issues**

I am grateful for the opportunity to respond to Ofcom's consultation on the proposed auction of new mobile spectrum.

Mobile broadband has a significant role to play in driving innovation to support much needed jobs and recovery from recession. The UK is falling behind other countries which have already released next generation spectrum and taken a first mover advantage in the supply of network equipment to the development of innovative applications and services. Ofcom has an opportunity to ensure the UK benefits from next generation mobile broadband by delivering a competitive spectrum allocation. If Ofcom fails to act to protect competition there is a real danger that market consolidation will threaten jobs in the communications sector, many of which are located in Scotland, and result in higher prices for consumers.

I am also mindful of the importance of wholesale competition in driving rollout and in particular in improving coverage in rural areas. Mobile will play an increasingly important part in delivering broadband to rural areas and I am keen to see competition maximise rollout so any public subsidy that might be required for the very hard to reach areas is effectively targeted to maximise the greatest public policy benefit.

I also welcome Ofcom's proposals to require the holder of one of the 800MHz licences to provide coverage to 95% of the UK population. I would however ask Ofcom to consider increasing this obligation to 98% and basing the obligation on a national basis. 98% on a UK wide basis would still leave large parts of Scotland uncovered by mobile broadband, whereas a 98% coverage obligation for Scotland, Wales, England and Northern Ireland would ensure that the four nations received equal benefit from the use of what is a public asset.

I would welcome specific targets for licence holders to provide services in rural and hard to reach areas in order to ensure, as far as possible, universal coverage.

I would ask that Ofcom gives due consideration to the views of mobile operators on the minimum spectrum allocation which is required, especially the allocation of lower frequency spectrum that will help deliver universal coverage at 2mbps in rural areas and inner cities.

Yours sincerely

Rhoda Grant MSP