

Title:

Mr

Forename:

David

Surname:

Hall

Representing:

Organisation

Organisation (if applicable):

David Hall Systems Ltd

What do you want Ofcom to keep confidential?:

Keep nothing confidential

If you want part of your response kept confidential, which parts?:

Ofcom may publish a response summary:

Yes

I confirm that I have read the declaration:

Yes

Ofcom should only publish this response after the consultation has ended:

You may publish my response on receipt

Comments:

Question 2.1: Do you agree with our principles for mobile regulation?:

Generally we are in agreement with the principles though we consider that there might be a requirement for a greater focus on pricing issues. The evidence available seems to suggest that pricing issues, in various forms, are a major source of concern. However we recognize that there could be a conflict between the role of the market and role of regulation and it is important that the boundary between these two approaches is drawn in the correct place.

Question 3.1: Are there any additional sector trends that we should consider in our analysis?:

We consider that a comprehensive list of issues has been identified

Question 3.2: Have we identified the right regulatory challenges?:

Generally we consider that the correct issues have been identified though we feel that some should be given greater importance. A key item is fixed mobile convergence which could raise a large number of issues. Another is the role of mobile in the NGN where currently there appears to be a lack of clarity on the appropriate role. Additionally there may be a need to consider in more detail the interaction between evolution of services and development of the network, particularly where this is related the provision of content, as we feel that there could be some issues in this area.

Question 4.1: We have outlined a number of factors which may affect the future market structure, including network sharing, spectrum and potential consolidation. Do you agree with this assessment, including risks and benefits that we have outlined?:

There now appears to be some consolidation taking place in the market and the implications of this development need to be taken into account. Additionally the market shares of the network operators in the UK appears to exhibit a different pattern to that in other European countries (most countries have one operator with a market share of more than 40% but this is not the case in the UK though the proposed merger will result in one operator having a larger market share than the other operators) and we consider that the reasons for this difference need to be identified to confirm that the market is working effectively in the UK. This issue may also have some linkage with our response to Question 5.1.

Question 4.2: you see any risks to competition that we have not highlighted?:

Apart from the apparently increased risk to competition resulting from market consolidation we have not identified any further risks.

Question 4.3: Do you agree that a market review in the mobile sector (other than in the call termination market) is not currently required?:

At this stage we consider that there would be few benefits resulting from carrying out a market review though this could change over time so the situation will need monitoring.

Question 4.4: We have concluded that competition in the mobile sector is currently addressing access concerns adequately. Do you agree?:

This appears to be the case though we consider that the changes in the market structure may result in access concerns developing.

Question 5.1: Do you agree with our assessment of investment in the UK mobile market and our priorities to secure future efficient investment?:

Generally we are in agreement with the comments in this section. However we note that investment trends are similar to other European countries but EBITDA is lower in the UK. We consider that a better understanding of this relationship is required to ensure efficient investment. This relationship might be connected to the different pattern of market shares in the UK compared to other European countries which we have mentioned in our response to Question 4.1.

Question 6.1: Ofcom considers that regulatory intervention to protect and empower consumers continues to be needed in the mobile sector and that competition alone is not necessarily sufficient to secure this. Do you agree?:

Generally we are agreement with this statement subject to the following comments.

Question 6.2: We believe that the approach we take to consumer protection and empowerment in the mobile sector strikes the right balance between taking timely action when necessary, and the need to apply regulation only when effective and proportionate. Do you agree?:

We have a lot of sympathy with this statement though there appears to be some cases where it is not achieved. This may be due to differing levels of expectation and it may be appropriate to agree the expectations between the various parties involved or have some guidelines on the minimum level of expectations.

Question 6.3: Are there any areas relating to mobile services that Ofcom is not currently addressing but which it needs to address in order to achieve its consumer policy objectives? Are there other areas where regulation could be scaled back? :

There are indications that customer satisfaction with fixed services is less than for mobile though there seems to be more concerns regarding mobile than fixed. We consider that there is a need to understand this apparent contradiction to ensure that consumer policy objectives are being met. Additionally the consultation document makes reference to complaints received by Ofcom and non-telecommunication bodies but makes no reference to the number of complaints received direct by the mobile operators. As complaints are being submitted to entities other than the mobile operators we consider that this indicates there may be some consumer policy issues that are not being adequately addressed or alternatively that the mobile operators are failing to resolve the complaints which may indicate some failing within the procedures. We also wonder how this level of complaints and the entities receiving them compares to the fixed sector.

Competition has resulted in the development of a complex market but this has not deterred customers from switching suppliers though there does not appear to be any information available to determine if these customers are more or less satisfied with their new supplier than the previous one. If this information was available it could act as a check to ensure that consumer policy objectives are being achieved.

Question 8.1: Do you agree that our proposed facilitation role around mobile not-spot issues is a realistic and sensible thing to do?:

Generally we are in agreement with the proposals though we consider that national roaming is preferable to infrastructure sharing for a range of reasons. However we are aware of the limitations of national roaming and consider that efforts should be made to reduce the limitations

Question 8.2: Do you agree with our general approach set out in the table above? Are there any other actions we should take and why?:

Generally we are in agreement with the actions detailed in the table. However for making spectrum available we consider that new mechanisms may be required to permit greater sharing of spectrum or to provide alternative means of accessing the spectrum.

Question 9.1: Are there any additional issues about mobile content and accessing content via mobile that should be considered?:

At this current stage of development we consider that a comprehensive range of issues have been identified. However we consider that these issues should be constantly reviewed as the mobile content market/s develops so as to address any concerns that become apparent.

Question 9.2: We have set out some differences between accessing content via the fixed internet and via mobile. Are there any further differences?:

The mobile environment is much more complex than the fixed environment and we are not convinced that this complexity has adequately been taken into account. Also the consultation document appears to be based on a specific scenario for the development of mobile broadband and there may be a need to consider the implications if a different scenario develops.