Subject: Vocus’ request to reconsider timeframes for the Mobile Market Study

Good afternoon

Vocus has made a submission on our Mobile Market Study Preliminary Findings, in which it states that it is currently running a request for proposal (RFP) for its MVNO business. In its submission it has also requested that we reconsider the timeframes for cross-submissions on the Preliminary Findings and publication of the Findings report, and that the deadline for cross-submissions be moved until after its RFP process has concluded. We set out the relevant parts of Vocus’ submission below.

As we understand it, Vocus considers that the results of its MVNO RFP process will be important evidence that would be likely to inform the Findings of the Mobile Market Study.

The imposition of deadlines for submissions and cross-submissions is an essential part of ensuring that our work is conducted efficiently, and that all stakeholders are provided with an ability to contribute material for analysis and comment on our process and findings. Where important new material becomes available while our work is being conducted, these considerations must be balanced against the desirability of taking that evidence into account.

We have considered Vocus’ request and decided not to change our deadline for cross-submissions. The purpose of cross-submissions is for parties to respond directly to other parties’ submissions. Cross-submissions are not for presenting new information or evidence on market activity that takes place outside of, or after, the submissions. Cross-submissions for the Preliminary Findings will continue to be due at 5pm on 19 July 2019.

We also continue to expect that we will publish our Findings report around 26 September 2019, in accordance with our previously announced timetable. However, we may decide to consider the results of Vocus’ current RFP process at any time during, or after, our Mobile Market Study. If we receive new information that might have a material impact on our Findings, then we will consult with stakeholders and adjust our processes and timetable as necessary.

Vocus Communications “Mobile Markets Study – Preliminary Findings, Submission to Commerce Commission” (28 June 2019) paragraph 17 and 18

....Vocus, as one of the largest MVNO’s in New Zealand, is proposing to go to market in July with an RFP for its MVNO business. As part of this process, Vocus is prepared to move its MVNO business to a new provider if a more sustainable and compelling commercial deal is available. This action is not taken lightly by Vocus as this has potential to damage our existing wholesale relationship and the investment in acquiring mobile customers, over almost a decade. All three mobile operators will be treated and assessed equally throughout this process.

Vocus is prepared to be transparent and share the RFP process with the Commission, on a confidential basis, to help inform the study and we will make this clear to respondents at the outset. Vocus requests that the Commission reconsiders the timeframes for cross-
submissions and, potentially, the Commission’s findings report to allow time for the process to conclude. Vocus is happy to further discuss this process with the Commission.

The Vocus submission is available alongside other submissions on our mobile market study project page on our website https://comcom.govt.nz/regulated-industries/telecommunications/projects/mobile-market-study.

Regards
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