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Commerce Commission | Te Komihana Tauhokohoko
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By email

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Kia ora Susan

Thank you for the opportunity to provide our brief feedback on the issues identified by the Commission as part of the application from Voyage Digital (NZ) Limited seeking clearance to acquire 100% of the shares in Orcon Holdings Limited and Two Degrees Group Limited.

Overall we are confident that the Commission has identified the correct issues to review in this matter and therefore do not consider there to be any significant issues other than the ones below to raise at this time.

Our general view is that while this merger does represent a not-small aggregation at the top end of the communications service provider market, the two operators are strong in different parts of the market (Orcon in the broadband and fixed market, 2degrees in mobile), the merger will introduce a strong competitor to the two largest providers in the overall market.

Our one concern is that it might lead to a reduction in wholesale offerings to other parts of the market, but we recognise that the Commission has identified this in their paper. The MVNO market in particular remains small and our position has consistently been that we need to see further development here. Our hope is that the strength of a combined player means a fuller commitment to developing MVNO wholesale offerings.

Please don't hesitate to contact me if you require further information.

Ngā mihi nui

Craig Young
Chief Executive