

Question 1: Do stakeholders agree that promoting effective and sustainable competition remains an appropriate strategy to deliver efficient investment and widespread availability of services for the majority of consumers, whilst noting the need for complementary public policy action for harder to reach areas across the UK?:

Yes, the existing model has worked to date for Lines, Calls and Broadband.

Question 2: Would alternative models deliver better outcomes for consumers in terms of investment, availability and price?:

Services such as IP call pricing requires less regulation as they are restricted less by delivery to a geographic location and so a monopoly position is unlikely to occur.

Question 3: We are interested in stakeholders' views on the likely future challenges for fixed and mobile service availability. Can a 'good' level of availability for particular services be defined? What options are there for policy makers to do more to extend availability to areas that may otherwise not be commercially viable or take longer to cover?:

Widespread availability could be promoted by protecting the investment of a carrier who is prepared to make the investment first. This could be achieved by forcing the competition to use the initial network builder for 5 years and allowing the initial network builder time to recoup their investment and they could also be allowed to charge a premium for wholesale traffic on the network. This model would work best with Mobile network build projects. The BT PSTN and ISDN network should be sold off to a cooperative of all networks with a strong USO regulation.

Question 4: Do different types of convergence and their effect on overall market structures suggest the need for changes in overarching regulatory strategy or specific policies? Are there new competition or wider policy challenges that will emerge as a result? What evidence is available today on such challenges?:

Content is becoming the tool to acquire customers and so regulation is required to provide a wholesale equivalent at a cost that will allow percentage margin to be made where a supplier holds a monopoly on a service it has purchased rather than created. Football is a prime example of a service that has excluded fair competition with the consumer having limited real choice.

Question 5: Do you think that current regulatory and competition tools are suitable to address competition concerns in concentrated markets with no single firm dominance? If not, what changes do you think should be considered in this regard and why?:

Regulation to maintain quality is important in the new markets as it is more difficult than ever for a consumer to understand what they are purchasing, unlimited should mean what it suggests.

Question 6: What do you think is the scope for sustainable end-to-end competition in the provision of fixed communications services? Do you think that the potential for competition to vary by geography will change? What might this imply in terms of available regulatory approaches to deliver effective and sustainable competition in future?:

Geographic CP will always have a strategic advantage over Plc Networks and should be in a better positioned to offer a more personal service and real choice to the consumer and that should be maintained. The key is then regulation of the wholesale services market to allow CP to operate.

Question 7: Do you think that some form of access regulation is likely to continue to be needed in the future? If so, do you think we should continue to assess the appropriate form on a case by case basis or is it possible to set out a clear strategic preference for a particular approach (for example, a focus on passive remedies)?:

Yes, due to BT's dominate position in the Northern Ireland market.

Question 8: Do you agree that full end-to-end infrastructure competition in mobile, where viable, is the best means to secure good consumer outcomes? Would alternatives to our current strategy improve these outcomes, and if so, how?:

There is a requirement for a regulated Mobile wholesale service as exists in the fixed line market which has worked to the consumer's advantage with more sophisticated billing and lower end user pricing. Note most fixed line CP billing systems have been designed to bill Mobile in addition to fixed, however the mobile wholesale MVNO model is not competitive with Mobile Network direct sales creating a barrier to CP growth and fair competition.

Question 9: In future, might new mobile competition issues arise that could affect consumer outcomes? If so, what are these concerns, and what might give rise to them?:

Consumers should not be restricted to a single mobile network because the mobile network has bought in an exclusive piece of handset hardware or software App.

Question 10: Does the bundling of a range of digital communications services, including some which may demonstrate enduring competition problems individually, present new competition challenges? If so, how might these issues be resolved through regulation, and does Ofcom have the necessary tools available?:

Bundled services pose a real threat to open competition and services that are to the greater good or where no credible competitor service exists or unlikely to exist in a reasonable time frame must be regulated as a wholesale service. It is wrong that government invests millions in BT to encourage FTTC roll-out and have no regulation in place to govern the difference between the BT Wholesale price and the BT Retail price.

Question 11: What might be the most appropriate regulatory approaches to the pricing of wholesale access to new and, risky investments in enduring bottlenecks in future?:

Widespread availability could be promoted by protecting the investment of the carrier who is prepared to make the investment first. This could be achieved by forcing the competition to use the initial network builder for 5 years and allowing the initial network builder time to recoup their investment and they could also be allowed to charge a premium for wholesale traffic on the network. This model would work best with Mobile network build projects.

Question 12: How might such pricing approaches need to evolve over the longer term? For example, when and how should regulated pricing move from pricing freedom towards more traditional charge controls without undermining incentives for further future investment?:

Changing from price freedom to price controls is fine providing the network concerned sells a wholesale service that offers a margin. A carrier with a monopoly position is currently selling DSL broadband at a retail price far below the wholesale price which means the consumer has only one supplier choice based on price and product as no other network will invest.

Question 13: Are there any actual or potential sources of discrimination that may undermine effective competition under the current model of functional separation? What is the evidence for such concerns?:

The wholesale market must be regulated in any geographic region where one supplier is dominant for any individual service. A carrier with a monopoly position is currently selling DSL broadband at a retail price far below the wholesale price which means the consumer has a choice of only one supplier as CP's who source wholesale from the same carrier will not sell to consumers as in other areas thereby incurring a loss.

Question 14: Are there wider concerns relating to good consumer outcomes that may suggest the need for a new regulatory approach to Openreach?:

Compensation for poor work is in need of constant monitoring and regulation.

Question 15: Are there specific areas of the current Undertakings and functional separation that require amending in light of market developments since 2005?:

Northern Ireland should be brought into line with GB to stimulate competition thereby benefiting consumers. The success of BT Retail selling FTTC broadband in Northern Ireland is a prime example of how the strong relationship between BT Retail and BT'S

network/engineers has resulted in driving consumers to BT Retail to the detriment of competition for this new service. Resellers such as Rainbow Communications have been disadvantaged by relying on their main competitor to install and maintain the service they sell. Consumers at point of sale are confused and don't believe BT Ireland engineers will offer the same service level to Rainbow as they do to BT Retail. They are also confused by BT installing equipment branded Openreach which is an organisation they know nothing about. Ofcom's reliance on the EAO to police BT Ireland's behaviour has failed due to large parts of the current Undertakings not applying to Northern Ireland and so the EAO have had a very slim "rule book" to work with. Part of the reason given by BT Ireland for not agreeing to the Undertaking as implemented in GB was due to management structures, staffing roles and computer systems being different to GB. Since 2005 BT Ireland engineering have totally integrated with the Openreach computer systems and complete departments such as the ISDN help desk and Customer Service departments have been closed in Belfast and moved to GB. In 2013 structural changes meant BT Ireland now reporting to the BT Business Division, including the NI engineering staff, which is a substantial change from 2005 and something Rainbow as a competing CP are unhappy with. Any company that retails a service finds it difficult to wholesale the same service in the same market unless there is little wholesale competition from other Network competitors and they tend to focus their efforts on the success of the retail division, BT is no different. We believe Openreach should be totally separate from the BT Group and not relying on a single corporation for investment. The lack of investment by BT Ireland in Belfast city centre to provide FTTC is an example of how small business in the city is suffering to gain the latest technology. The need for funding of high speed broadband by DETI and BDUK is evidence that BT are not prepared to invest in the network in Northern Ireland and a more open private investment model is required. The failure of many telecoms PLC's such as UTV, TalkTalk, Eircom and Cable and Wireless all organisations who had direct sales staff selling service to SME businesses in Northern Ireland at one time but who have since closed operations complete or withdrawn from the Northern Ireland SME business market, is a clear indicator that BT hold a strong SMP and that the lack of Openreach branding is supporting the BT Retail sales and marketing operation. The BT organisation in Wales and Northern Ireland employ a similar number of staff, 2916 and 2850 and a comparable turnover £540m and £402m, respectively which would make us believe that Northern Ireland should not be any different to Wales and the Undertaking should apply in full.

Question 16: Could structural separation address any concerns identified more effectively than functional separation? What are the advantages and challenges associated with such an approach?:

Structural separation is a must to achieve competitive pricing and network investment in Northern Ireland. Chinese Walls are creating a focus on fulfilling the spirit of the Undertakings and distracting BT Ireland staff from what should be their main focus which is high quality customer service. Rainbow lost a customer to BT Retail business sales due to the BT Retail engineers promising to weld closed a Manhole cover that had been vandalised on a number of occasions as they believed that Rainbow could not have organised the same action. The perception here is that the link between BT Retail business sales and BT Ireland engineering is stronger than that between Rainbow and BT Ireland engineering.

Question 17: What do stakeholders think are the greatest risks to continuing effective consumer engagement and empowerment?:

The greatest risk is from bundled services where cross subsidisation price discrimination means an individual service cannot be sold i.e. broadband because it is being given away free as part of a bundle means why would you pay for it.

Question 18: What indicators should Ofcom monitor in order to get an early warning of demand-side issues?:

If the consumer indicates they are buying a bundled service for a single reason of obtaining one single element of the service then the consumer has lost the element of choice.

Question 19: What options might be considered to address concerns about consumer empowerment at each stage of the decision-making process (access, assess, act)? What more might be required in terms of information provision, switching and measures to help consumers assess the information available to them? What role may Ofcom have to play compared to other stakeholders (including industry)?:

The consumer is empowered when information is presented in a clear uniform way that allows a judgement to be made simply. If the elements of bundled services were detailed in pricing material together with a percentage discount off each to allow the bundled price to be achieved it would provide a clearer picture to all involved.

Question 20: Are there examples in competitive or uncompetitive sections of the market where providers are not currently delivering adequate quality of services to consumers? What might be causing such outcomes?:

The IP voice calls market is growing fast and is the area where SME business customers are experiencing poor quality of call service from suppliers of different sizes. There appears to be no monitoring of the quality being sold and no minimum "up time" which means the consumer is suffering poor quality from an industry they perceive is regulated.

Question 21: What further options, if any, should Ofcom consider to secure better quality of service in the digital communications sectors?:

Some form of recognise approval standard is required in the IP Sip and Hosted voice industry to provide guidance to consumers.

Question 22: Might there be future opportunities to narrow the focus of ex ante economic regulation whilst still protecting consumers against poorer outcomes?:

We not aware of opportunities to narrow regulation.

Question 23: Where might future network evolutions, including network retirement, offer opportunities for deregulation whilst still supporting good consumer outcomes?:

We not aware of opportunities to deregulation.

Question 24: What are the potential competition and consumer protection implications of the rise of OTT services? Might the adoption of such services enable future deregulation without raising the risk of consumer harm?:

We not aware of opportunities to deregulation.

Question 25: Are there any areas where you think that regulation could be better targeted or removed in future? What would be the benefit of deregulation as well as the main risks to consumers and how these could be mitigated? Please provide evidence to support your proposals.:

We believe regulation aimed at stimulating competition should target geographic areas such as Northern Ireland where BT Retail and BT Wholesale together dominate the market and previous Ofcom research of the SME market should backup this analysis. Northern Ireland has the lowest level of switching for Fixed-Line, Fixed Broadband and Mobile in the UK based on previous Ofcom data.