

## Consultation response form

Please complete this form in full and return to [cloudreport@ofcom.org.uk](mailto:cloudreport@ofcom.org.uk)

<b>Consultation title</b>	Cloud services market study, Interim report
<b>Full name</b>	[X]
<b>Contact phone number</b>	
<b>Representing (delete as appropriate)</b>	Organisation
<b>Organisation name</b>	Gener8
<b>Email address</b>	[X]

## Confidentiality

We ask for your contact details along with your response so that we can engage with you on this consultation. For further information about how Ofcom handles your personal information and your corresponding rights, see [Ofcom's General Privacy Statement](#).

<b>Your details: We will keep your contact number and email address confidential. Is there anything else you want to keep confidential? Delete as appropriate.</b>	Nothing
<b>Your response: Please indicate how much of your response you want to keep confidential. Delete as appropriate.</b>	Nothing
<b>For confidential responses, can Ofcom publish a reference to the contents of your response?</b>	Yes

## Your response

Question	Your response
<p><b>Question 4.1</b> Do you agree with our assessment of how customers buy cloud infrastructure services and how cloud providers seek to acquire customers?</p>	<p><i>Is this response confidential? – Y / N (delete as appropriate)</i></p>
<p><b>Question 4.2:</b> Do you agree with our characterisation of the market outcomes in supply of cloud infrastructure services?</p>	<p><i>Is this response confidential? – Y / N (delete as appropriate)</i></p>
<p><b>Question 5.1:</b> Do you agree with our analysis of potential barriers to switching and multi-cloud? As part of this:</p> <p>a) Please provide your views on the extent to which, and in what ways, egress fees are a barrier to switching and multi-cloud. Please also provide your views on the extent to which egress fees currently charged relate to the incremental cost of providing egress.</p> <p>b) Please provide your views on whether specific business practices of cloud providers, particularly the hyperscalers, exacerbate technical barriers to switching and multi-cloud.</p> <p>c) Please provide your views on how committed spend discounts are set and the impact these discounts have on the incentives of customers to multi-cloud.</p>	<p>Yes. We agree that egress fees are a substantial barrier to switching and multi-cloud that will contribute to increasing concentration in the sector in the years ahead.</p> <p>Gener8 is a personal information management service, empowering our users to access, control, and earn from their personal data from their online activity. This means that we rely heavily on cloud storage, and our storage needs are likely to increase exponentially in the years ahead as we simultaneously acquire new users, our users make a greater number of data connections in our app, and the amount of data generated by online services increases.</p> <p>For a company at our stage of development, the costs for switching cloud storage provider are unthinkable, and as we grow and attract more users, our reliance on our existing provider will become increasingly entrenched.</p>
<p><b>Question 5.2:</b> Do you agree with our analysis of potential barriers to entry and expansion?</p>	
<p><b>Question 5.3:</b> Do you agree with our analysis of the hyperscalers' relationship with ISVs? As part of this, please provide your views on</p>	

<p><b>whether our analysis of the hyperscalers relationship with ISVs applies to both larger and smaller ISVs.</b></p>	
<p><b>Question 6.1 Do you agree with our assessment of how well competition is working in cloud infrastructure and what are the potential implications of a lack of competition?</b></p>	
<p><b>Question 8.1 Do you agree that egress fees are an area of potential intervention? How might such an intervention be approached?</b></p>	<p>Yes we agree. Egress fees are a clear barrier to switching and multi-cloud.</p> <p>While we can understand that cloud providers will need to recover the costs that they incur as their customers transfer data internally and externally, we do not believe that the point at which customers are switching away is the point that providers should be making significant profits.</p> <p>We would therefore support controls on egress fees that reduced them down in line with other comparable transfer fees, or alternatively with cost.</p> <p>We consider that the banning of egress fees altogether may be the most likely to create distortions (i.e. a waterbed effect) in other fees as the providers look to recover their costs elsewhere.</p>
<p><b>Question 8.2: Do you agree that interoperability and portability are areas of potential intervention? How might such an intervention be approached?</b></p>	
<p><b>Question 8.3: Do you agree that committed spend discounts are an area of potential intervention? How might such an intervention be approached?</b></p>	
<p><b>Question 8.4: Do you agree that transparency of billing is an area of potential intervention? How might such an intervention be approached?</b></p>	
<p><b>Question 8.5: What, if any, potential unintended consequences do you anticipate might be associated with the interventions set out above, and how might they interact with each other if implemented?</b></p>	

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