



# Competition and investment: Looking ahead

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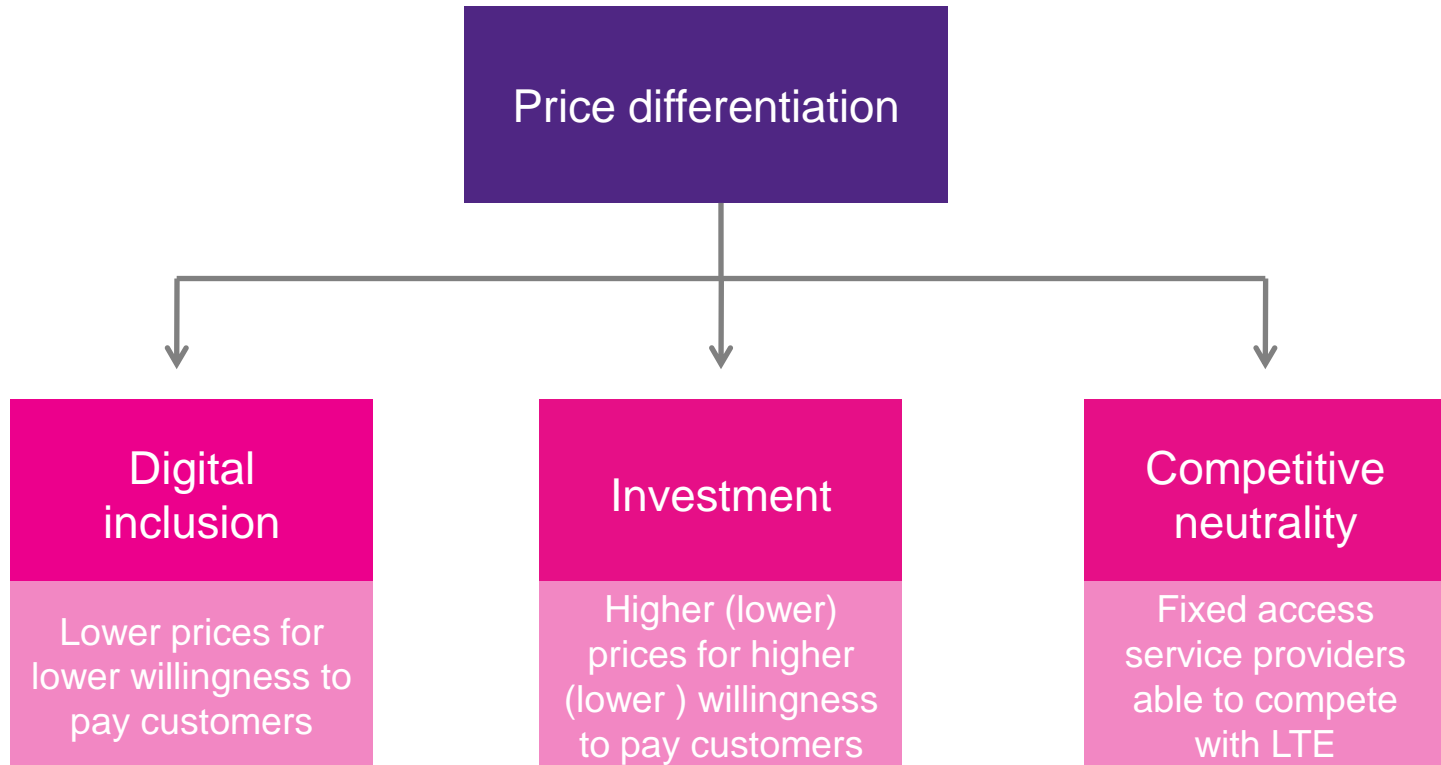


## Context and problem

- **Competition and investment are both means to end**
  - Better outcomes for consumers
- **Fixed NGA requires high levels of investment**
- **Roll out of LTE provides a new platform for higher speed broadband**
- **Growing diversity of consumer preferences and broadband product offering**
  - Upload/download speed, quality of service, mobility, ease of use....

How to regulate in best interests of consumers and citizens?

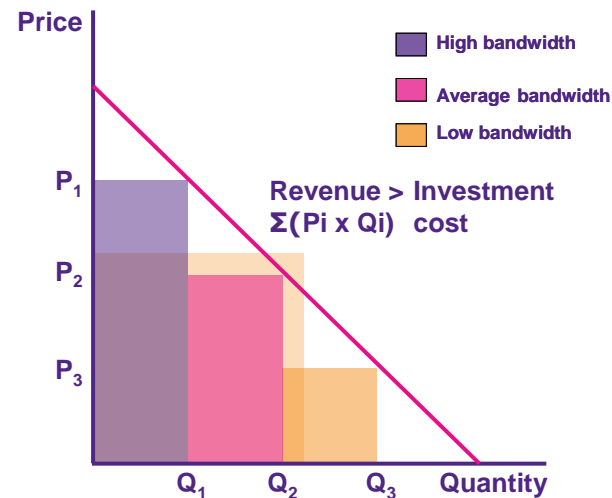
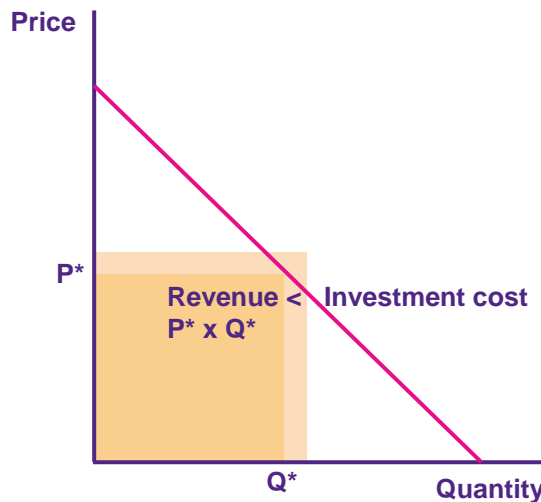
# Importance of price differentiation



# Digital inclusion and investment

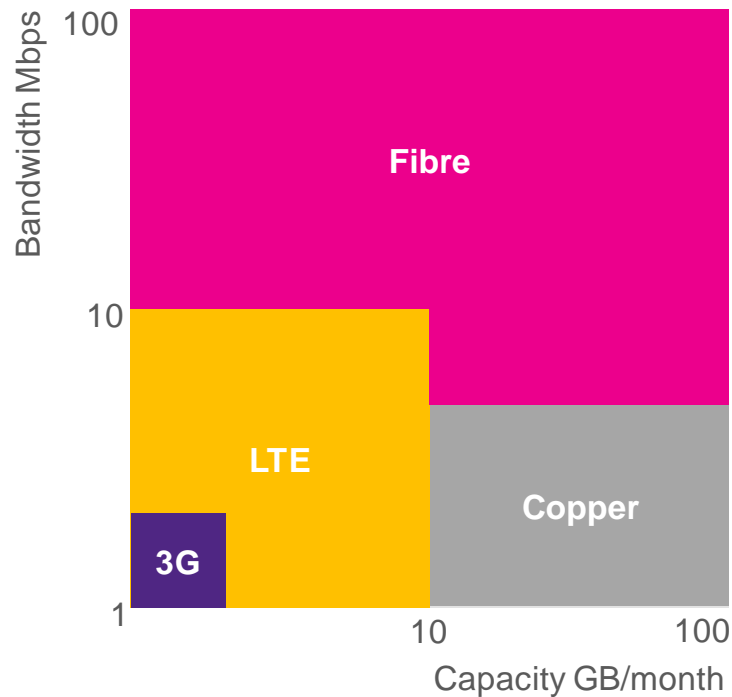


- Price differentiation required to ensure high take up of high speed broadband
  - Consumers with low value/ability to pay for entry level products
  - Consumers with high willingness/ability to pay for premium products



Avoid wholesale remedies which undermine price differentiation in retail market

# Platform competition



**LTE greatly extends scope for competition between mobile and fixed line broadband**

**Regulation needs to take into account at both wholesale and retail level**

Avoid impeding innovation, product flexibility and responsiveness to consumers

**Careful design of wholesale remedies to avoid adverse impact on fixed networks**

# EC NGA Recommendations



- **How do you interpret the EC recommendations to facilitate NGA roll out consistent with consumer interest?**
  - In particular, how should requirement for cost orientation be interpreted?
- **To what extent does the EC recommendations need to be adapted to local circumstance in each member state?**
  - Ofcom approach to Local Wholesale Access
    - Virtual Unbundled Local Access (VULA) without cost orientation
    - Duct/pole and sub loop unbundling with cost orientation

**Thank you**



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