

ACCC Mobile Services Review National and International Roaming

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Agenda

- Part 1: National Roaming
- Part 2: International Roaming

ACCC 1997 Inquiry:

- "Roaming likely to be commercially provided without the need for regulatory intervention"
- Watching-brief on anti-competitive conduct.

Service dynamics:

- Commercially negotiated and agreed NR a feature of Australian mobile services market since 1999.
- Vodafone experience: access seeker and access provider:
 - Vodafone roaming agreement with Telstra
 - Vodafone roaming agreement with Hutchison
 - Mobile Phones on Highways



- Other services agreements:
 - Hutchison agreement with Telstra
 - One-Tel agreement with Telstra
- Market failure or success?
 - Economies of scale
 - Extended mobile coverage
 - Pricing

- If the market is performing, then why do CSP's have different coverage areas?
 - Parties may not choose to seek NR clunky, technical issue
 - Supply side alternatives
 - Demand side alternatives
- Should National Roaming be regulated?
 - Durable market failure
 - Impact of regulation:
 - Investment decisions
 - ACCC Inquiry 1997 "declaring roaming may have an adverse impact on investment incentives".
 - Impact on commercial negotiations



Conclusions:

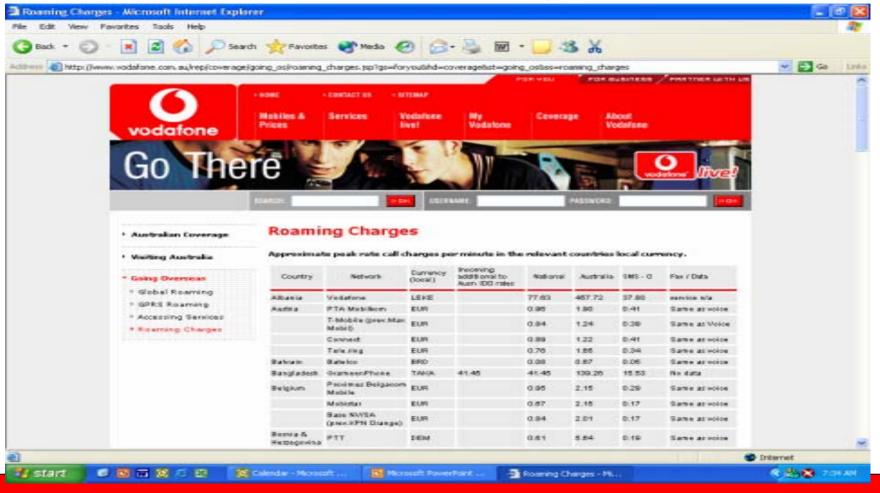
- No market failure
- ACCC conclusions in 1997 Inquiry: no basis to intervene
- Market has delivered commercial outcomes: reinforces this position

- What is International Roaming?
 - Wholesale and Retail component
 - GSMA role in the development of International Roaming

- Service dynamics:
 - Relatively new service
 - Developing services
 - IOT regime

- Competitive Pressures: Current
 - Wholesale component:
 - Domestic competition
 - Substitutes
 - Retail component:
 - Network selection
 - Movement away from IOT regime
- Transparency
 - Alleged lack of transparency in IR pricing
 - Techniques to limit spend

PART 2: International Roaming - Transparency



- Emerging competitive pressures
 - Emerging 'focus' of network providers
 - Technological determinism
 - New products and services
 - Customer segmentation
- Should international roaming markets be regulated?
 - Jurisdiction?
 - Market failure?
 - Impact of past regulation

Conclusions:

- Emerging competitive pressures on IR will result in changes in price and transparency
- No market failure
- No basis to regulate

