

**Michael Koch Pty Ltd** Trading as **YES Optus Gippsland**

*retail stores at Warragul, Morwell, Traralgon, Sale & Bairnsdale*

To Merger Authorisations

Australian Competition & Consumer Commission

mergerauthorisations@acc.gov.au

**RE: Telstra Corporation Limited and TPG Telecom Limited proposed spectrum sharing**

We currently operate the licenced OPTUS stores throughout Gippsland in rural Victoria. We are proud of the work done by Optus in our area and the coverage they now provide. In some instances, Optus is the only carrier available and this “plugging of the gaps” gives me great pleasure where we can assist.

Gippsland encompasses an area of about 42,000 square kilometers and is home to about 280,000 people. This region has often been impacted by some of Australia’s worst fires and floods. With a population density of less than 7 persons per square km, the need to have an efficient and reliable communications system is critical.

I am concerned that the proposal shall have the effect of bringing together the largest Australian communications provider (Telstra) with the third largest (TPG) as parties to the proposed multi-operator core network (MOCN). As a duo they could squeeze out Optus from current market share. This could easily have an unintended consequence of making Optus and its separate network, here and in other rural/regional areas, less commercially viable. Currently most Gippslanders are covered by both Telstra and Optus, with some limited areas limited to Telstra or Optus as a single communications carrier. This proposal could impact Optus and other non MOCN participants in their commercial decisions in provision of alternate network coverage and the provision of backup to communities in rural/regional areas.

From a purely commercial view I am concerned to see any type of sharing or merger between major players. Inevitably this shall result in reduction of competition at a cost to other businesses and the consumer. Deals at this level are almost creating a monopoly type situation.

As a lifelong Gippsland resident, and as a businessman, I ask that the ACCC take account of the needs of regional people for surety in their communications networks.

Yours Sincerely

Michael Koch

Director

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