

INTUG



Mobile telecommunications update

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INTUG contents

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- market deficiencies
- tromboning
- beauty contests and auctions
- roaming
- conclusion



INTUG users want unified service

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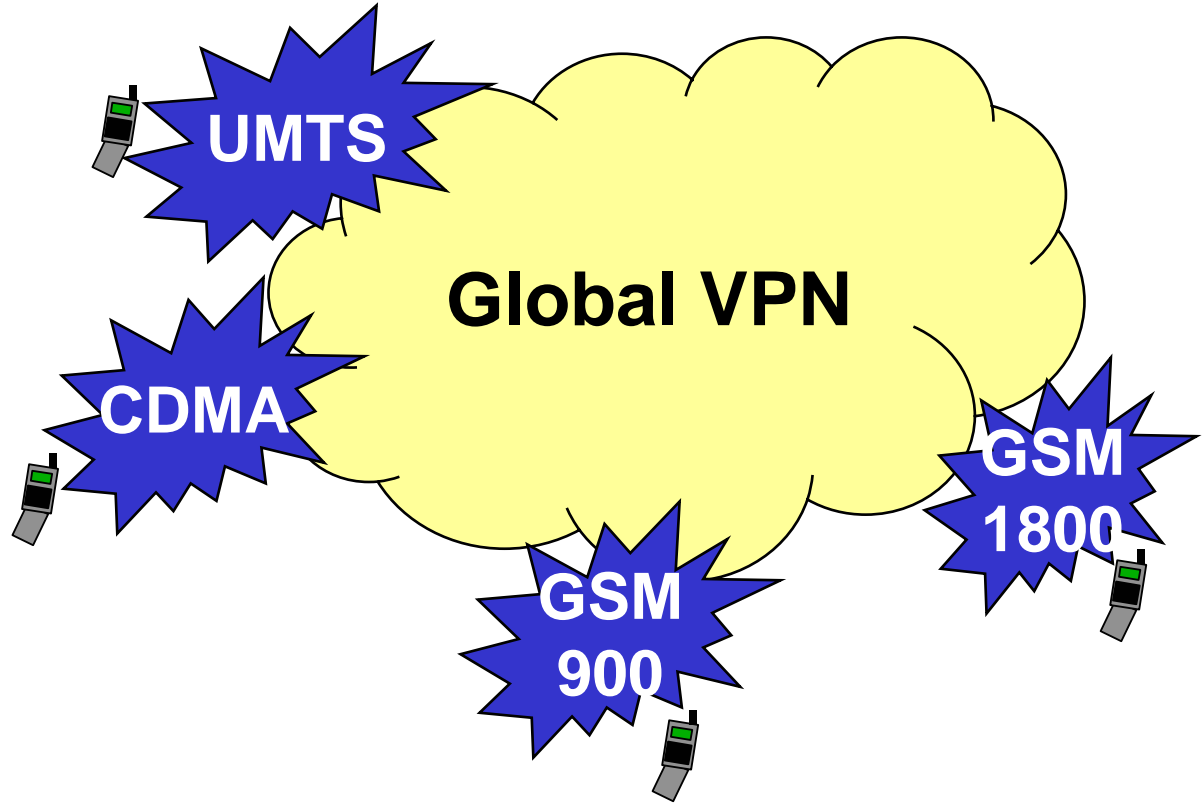
- one global service chosen from a competitive market
- one point of contact
- one billing interface with flexible subdivisions
- maximise our buying power
- an end to roaming charges
- integration with VPNs



INTUG VPN + GSM

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dynamic allocation of a domestic mobile number
buying only transit over mobile networks



INTUG market deficiencies

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- high termination rates
- high roaming rates
- national oligopolies
- emerging global oligopoly



INTUG tromboning

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- high termination rates to mobile
- new high accounting rates to mobile
- arbitrage opportunities
- consumer confusion over new tariffs



INTUG 3G licences

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- coming to an ignominious end
 - more spectrum in a few years
 - re-farming of 2G spectrum
- banking regulators worried
- anti-competitive behaviour
- consolidation amongst operators
- no underlying business model



INTUG merger regulation

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- approval of takeovers
- France Telecom + Orange
- Vizzavi
- J-Phone - BT and Vodafone j/v
- BT and Esat
- lots more to come (e.g., DTAG and Voicestream)



INTUG vodafone + mannesmann

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- so far no use of third party access
- mistake by DG Competition?
- other operators building pan-European networks
- further Vodafone decisions
 - Eircell
 - Sonera



INTUG legislative package

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- common regulatory framework
 - SMP
 - market definitions
- interconnection and access
 - Indirect Access (IA)
 - MVNOs
- authorisation
 - future auctions



INTUG legislative package (2)

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- universal service and users' rights
 - location for 112 calls
 - pricing information
- telecommunications data protection
 - location information
 - spamming



INTUG potential nightmares

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- data protection issues
- location and pattern of movements
- cookies on your handset
- pattern of calls and locations of those callers



INTUG location

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- obligation in Universal Service and Users' Rights Directive to report the location of a caller to 112
- industry-led steering committee
- very confusing mix of issues
- network and handset solutions
- also an issue for VPNs and PBXs



INTUG DG Competition

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- part of a sectoral investigation
 - leased lines
 - local loop
- some operators increased their IOTs during investigation
- easy to find regulatory solutions, hard to find competition law solutions



INTUG INTUG Europe survey

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- 1999 study repeated in 2000
- findings:
 - still very high
 - IOT seems immune from competition
 - plenty of possible regulatory actions
- will do it again in 2001
- what can we do outside the EU/EEA?



INTUG 2.5 and 3G roaming

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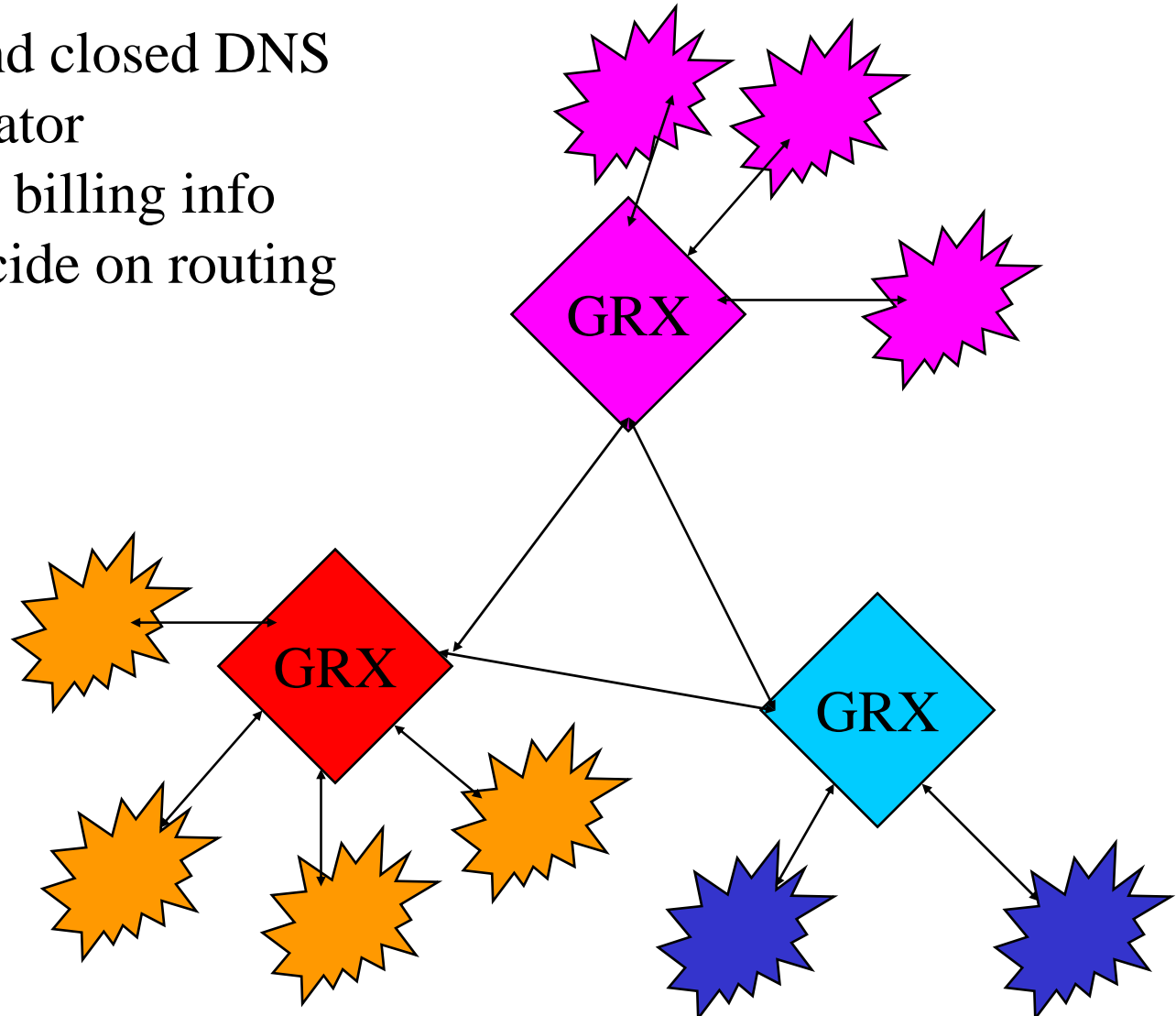
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- roaming is undergoing revolutionary change
- GPRS will be very different and the model for UMTS roaming
- central role of VPN providers
- keeping customers when abroad
- data protection issues
- competition law issues



INTUG GPRS Roaming eXchange

- separate and closed DNS
- home operator
 - gets all billing info
 - can decide on routing



INTUG MVNOs

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- slow but steady progress
- NRAs shifting to open access
- could be a solution to problems of:
 - high termination costs
 - exorbitant roaming fees
- some operators conceding MVOs might have a role
- a lot of pressure to get in



INTUG conclusion

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- competition law is a very poor instrument to regulate a fast moving market
- regulatory cycle is longer than product/service life cycle!
- users need to look to GPRS and UMTS roaming
- GRX could fit with VPNs

