

ANTICIPATED ACQUISITION BY BT GROUP PLC OF EE LIMITED

Summary of hearing with Hutchinson 3G UK on 30 July 2015

Overview of H3G's concerns

1. Hutchinson 3G UK (H3G) told us that the broader communications industry was going through a significant amount of change right now, and that traditional distinctions between fixed and mobile were starting to blur.
2. H3G said that, firstly, mobile operators like EE and Vodafone were starting to move into broadband and TV services. Large fixed line and media operators were also starting to offer mobile in bundles, like BT, Sky, TalkTalk and Virgin Media. H3G said that the landscape was shifting quite considerably, such that Ofcom had defined a new term of 'super MVNO', which it called a sub-national RAN operator.
3. H3G said that, secondly, there was a huge change in consumer behaviour, towards a greater appetite for more and more data, and faster and faster speeds. H3G said that the UK was leading that trend across Europe, with one of the highest consumptions of data across the major European economies. H3G said that most independent studies suggested that the pace of this growth, even off that inflated base, was going to be faster in the UK than it was anywhere else in Europe.
4. H3G considered that this backdrop meant that it was quite inconceivable that some of the older technologies, like for example dial-up technology, could possibly compete in today's market, even if it were at a much lower cost, or if it offered better customer service experience.
5. H3G said that, when it launched its 3G network ten years ago, the peak theoretical speed was 384 kilobits per second, which was a big step up from where it had been. However, just ten years later, the peak theoretical speed of 4G was more than 100 times faster, at 42 megabits per second. H3G considered that 4G would follow the same evolutionary path, particularly with the right spectrum, both in terms of quantity and quality. H3G said that any operator that could not follow on that 4G evolution path would increasingly struggle to exert any sort of competitive influence on the market.
6. H3G said that, in simple terms, the peak speeds that could be offered were directly correlated to spectrum. H3G said that EE had by far the biggest

spectrum portfolio in the market right now and a portfolio of spectrum that was best suited to 4G technology. With BT, the combined business would have about a 45 per cent share of spectrum. H3G said that, in contrast, it had about a 12 per cent share of spectrum. [✂]

7. [✂]
8. H3G said that its combined spectrum with O2 would be broadly similar to that of Vodafone's, but H3G (post the acquisition of O2) and Vodafone would still be significantly behind EE's spectrum holding. [✂]
9. H3G said that the challenge with the BT/EE merger was that it would add more spectrum on top of what was already EE's strong position, [✂].
10. H3G said that [✂] spectrum was a scarce resource and, because it was a scarce resource, market driven corrections were often quite hard to come by.
11. H3G said that it also had concerns with mobile backhaul, which was of critical importance to speed and capacity. This was particularly given the strong position that BT Wholesale had in that market and given that BT Wholesale's MEAS product was an unregulated product. H3G believed that its competitors shared the same concerns. H3G noted that its concerns were general market concerns, rather than specific concerns arising from being part of the MBNL site share arrangement.

General trends

12. H3G said that the major innovations or changes in technology that should be taken into account related to speed and capacity. H3G said that one key innovation related to the sub-national RAN operator idea, also referred to as the 'inside out strategy', where fixed players leveraged their infrastructure to create high capacity, high speed networks, particularly in the home, although to a degree outdoors as well. H3G said that this played to consumer demand and was a change from how both mobile and fixed operators had operated in the past.
13. [✂] H3G said that spectrum gave capacity and speed. H3G said that there were other areas in the market that an MNO could compete on, whether that was reliability or customer service; but over time, in a competitive market, these would broadly equalise across the market. However, spectrum was the one area where it was very hard to equalise in terms of speed and capability without acquiring more spectrum. [✂] H3G's view was that there should be a broadly equal distribution of spectrum across the operators; otherwise, there

would be an inequality in terms of the peak speeds that operators could actually achieve.

14. [REDACTED]
15. [REDACTED]
16. [REDACTED] H3G said that, from a technical perspective, capacity was broadly made up of three key factors, which were: (a) the amount of spectrum an MNO had; (b) how spectrally efficient that MNO was; and (c) how many sites that MNO had available to deploy that spectrum.
17. H3G said that, when it launched its 3G network, it had three 5MHz carriers of 3G. [REDACTED] H3G said that it had also tried to be as spectrally efficient as possible by continually upgrading its 3G to maximise the capacity of the spectrum it had. When H3G first launched 3G, the data speeds were about 384 kilobits per second. All of the sites that it had [REDACTED] carriers on, which was now the majority of sites, had the latest 3G technology offering [REDACTED] megabits per second.
18. H3G said that, in 2006, it had about [REDACTED] sites. To gain more sites, it went into an agreement with T-Mobile in 2007 (now EE) to [REDACTED] of its network from a site perspective. H3G had now reached the point where it had spectrum in all those sites [REDACTED].
19. H3G said that it also had 4G spectrum (15 megahertz of 1800) and was rolling that out where it needed to supplement the capacity. [REDACTED]
20. H3G said that there were other technical things that could be done to increase capacity, like sectorisation of sites, the use of small cells and the potential use of public Wi-Fi as an offload solution.
21. [REDACTED]

Proposed H3G/O2 merger

22. H3G told us that, as a standalone operator, it was [REDACTED]
23. H3G said that the nature of the industry was changing. It was getting more competitive, which was a good thing. But the entry into the market of companies like BT, Sky, TalkTalk and Virgin, and the nature of those businesses, was making it increasingly hard for H3G to compete as a standalone mobile operator. The opportunity that came with the acquisition of O2 was [REDACTED]. H3G would also have [REDACTED].

24. [REDACTED]
25. [REDACTED] H3G said that there were some efficiencies that H3G could achieve which would help it to be more competitive in the market.
26. H3G explained that the best opportunity over the next few years for it to achieve success would be to focus on mobile but it remained open-minded to another path to follow in future.
27. [REDACTED]
28. [REDACTED]
29. [REDACTED]
30. [REDACTED]
31. [REDACTED]
32. [REDACTED] H3G's view was that the H3G/O2 merger was pro-competitive and competition in the UK would be significantly weakened without it. [REDACTED]
33. [REDACTED]

Network sharing

34. In terms of network sharing arrangements, H3G noted that there was the MBNL agreement (between EE and H3G) and Beacon (or CTIL) arrangements between O2 and Vodafone.
35. H3G said that MBNL was largely a passive network sharing agreement, with sites/towers within MBNL as a [REDACTED] shared entity. H3G said that it had been initially set up around 3G sharing, [REDACTED] and that, over time, the amount of sharing on 3G had actually reduced rather than increased [REDACTED].
36. H3G said that the MBNL agreement allowed for [REDACTED].
37. [REDACTED]
38. [REDACTED]

Mobile backhaul

39. H3G told us that its backhaul provision was broadly similar to what O2 and Vodafone had. [REDACTED]

40. H3G said that MBNL was a vehicle for the BT Wholesale MEAS agreement, which both H3G and EE used. [REDACTED]
41. H3G said that backhaul was a [REDACTED] part of its overall mobile network cost and a rise in the price of the MEAS product would be an unwelcome cost increase. [REDACTED]
42. H3G told us that, in terms of the quality of the services offered by BT Wholesale, it had some broad service levels in the agreement, which tended to be at a network level rather than at a site level. [REDACTED]
43. H3G told us that there were some Ofcom regulations around, for example, speed and provision of service, [REDACTED].
44. H3G said that BT Wholesale largely sat outside of Ofcom regulation. [REDACTED] Openreach was subject to an equivalence of input obligation that prevented it from discriminating unduly between its downstream division and other parties. When it came to the MEAS service, that was entirely unregulated.
45. H3G said that there were some quality issues where, in terms of differentiation, if BT wanted to try to discriminate against them, it probably could. [REDACTED].
46. H3G told us that to try to replicate the service that BT Wholesale had through its MEAS products would not be something that could be done in the short term; it would be extremely costly and extremely time consuming. That was the main risk that it would foresee, but it didn't think that risk was particularly different for any other operator in the market that relied on BT Wholesale. H3G did not think anybody could move particularly quickly to try to replicate MEAS.
47. [REDACTED]
48. [REDACTED] H3G said that, when the current BT MEAS contract ends in [REDACTED], [REDACTED], and then BT Wholesale could refuse to supply H3G with any transmission for 4G going forward. H3G said that BT Wholesale could, for example, increase the cost significantly, in which case H3G would have a decision whether or not to absorb that cost or go elsewhere, if it could. H3G said that, on quality, again, BT Wholesale could offer lower quality to H3G, and H3G would have that same decision on whether to continue or go elsewhere.
49. H3G said that going elsewhere could in principle include going to Openreach and adding on the components in some other way. H3G said that the key issue was that Openreach provided the last mile of access to the sites. H3G would still have the challenge of how to get the traffic from those exchanges

back into its core network. [REDACTED] That connectivity was something offered by BT Wholesale through its 21CN network.

50. H3G told us that there were very few alternatives to BT Wholesale. Most of the networks that were competing were all in the same places. The challenge was how to piece these alternative providers together to get across a large slice of sites.
51. H3G told us that it had [REDACTED] circuits with Virgin Media, but its reach was limited. [REDACTED] Virgin did not have the scale of network to get close to the number of sites that BT did.
52. H3G said that it had also tried to push the dark fibre providers and had signed [REDACTED] contract with [REDACTED]; however, this was a very small part of its overall network.
53. H3G told us [REDACTED].
54. H3G said that it was trying to do some exploratory work at the moment to figure out whether there was a viable alternative to MEAS.
55. H3G told us that if BT Wholesale did increase its price a lot, it would invoke some sort of reaction. [REDACTED]
56. [REDACTED]
57. [REDACTED]
58. [REDACTED]
59. [REDACTED]
60. [REDACTED]
61. H3G said that, under the current master services agreement, BT Wholesale could discriminate against H3G in terms of quality of service. An example of what aspects of quality of service that could be provided worse to H3G and better to EE would be timings of upgrades. [REDACTED]
62. [REDACTED]
63. [REDACTED]
64. H3G said that customer experience was the lowest common denominator in the chain. For example, if there was a high speed air interface connection but the backhaul was very slow, the service as a customer would be representative of the backhaul.

65. H3G told us that there were sites today where backhaul was a constraint. H3G said that generally it would try and upgrade things before they became congested, [X].
66. H3G's said that its general concern about being discriminated against on backhaul was localised and that customer experience tended to be local, because a customer was connected to one site. If that site had an issue with the particular connectivity to that site, it affected everybody in that site. With something like backhaul, things would aggregate so if one had congestion in the core backhaul, this would affect multiple sites. H3G said that the higher the order of the issue, the bigger the impact on customers. This also depended on the nature of degradation. If the degradation happened just on the tail circuit from serving one site, the maximum impact would be any customer served by that site. If congestion or a quality issue was further into the network, it would have a much broader impact.
67. H3G considered that the answer to congestion was to upgrade the link. [X] H3G said that trying to get scalability on old leased lines was quite difficult. Ethernet was quite different. H3G said that with fibre, with an MNO's own equipment on the end, upgrades were possible, including from 100 megabits per second to 300, 700, to 1 gigabit, 10 gigabits, and one could scale up.
68. [X] The advantage of fibre was that it was possible to keep scaling it up. In a lot of cases upgrades were achieved with software, because the underlying capability is already large. In some cases, if an MNO needs really extreme upgrade sizes, then some new hardware might be necessary.

Microwave and fibre backhaul

69. H3G noted that in the past, the architecture for backhaul transmission was quite different with chains of microwaves. [X] So there were alternatives, but these did not support the level of capacity that H3G foresaw in the future, or that it actually saw in the mobile networks today. That was why the topology had changed. So H3G [X].
70. H3G told us that it [X]. There were advances in microwave technology and [X]. [X]The challenge of chaining microwave sites together was that, when sites were added on, traffic would be added, and the capacity of the link would be broken by adding more sites in. So one site could be supported with all of its traffic and all of EE's traffic together; but then once the traffic was added to the other site, this would break the link.
71. Generally H3G [X]. H3G told us that the best quality solution was always fibre; it was more reliable, had bigger bandwidth and was faster. At the right

price, there was always a preference for fibre. Microwave technology would advance, but equally fibre technology would advance, so microwave would always lag behind. At the right price, if it was available, MNOs would generally choose fibre over microwave for those reasons.

Wi-Fi

72. H3G told us that there were a number of almost unique assets that the merged BT/EE entity would have access to and would enable it to innovate. For example, BT had a huge portfolio of Wi-Fi hotspots, over 5 million at the last count. The ability to effectively leverage those hotspots in a more joined up mobile offering with EE's customer base would be both innovative and quite strong in terms of an improvement to network capacity and quality, particularly in terms of in building speed, where traditionally mobile operators had always struggled to get good quality indoor coverage. That would be one innovation that would make a significant difference.
73. [✂]
74. H3G thought that BT/EE would continue to innovate through offering faster and faster speeds. EE was already pushing very heavily its double speed network. EE had room to grow within the spectrum it already had, but adding on top the spectrum that BT would bring, it would continue to innovate and push really hard at the opportunity of speed versus the other players in the market. H3G said that EE had already said that it was looking to really leverage the combined customer base with cross sale/upsell type offers.
75. H3G told us that H3G had a voice over Wi-Fi type offering called InTouch which worked on a Wi-Fi network. So access to Wi-Fi was important. [✂]

Small cells

76. [✂]
77. [✂]
78. H3G told us that there were a number of practical challenges to small cells, including: finding a site, getting connectivity to that site, the contractual arrangements, and the ongoing cost of maintenance of that site. A small cell should provide additional capacity, but an MNO still needed to provide the bandwidth to connect those sites in a way that was practical and economical. For example, to get backhaul to a small cell on the side of a building, there was a logistical challenge of which supplier had services close to the building

that an MNO was trying to connect to, or the lamppost or the street furniture the MNO was trying to connect to.

79. H3G said that a small cell had the same fundamentals from a technology point that would be required for a macro network, just on a smaller scale.
80. H3G said that BT had provision of services in more places than anybody else, but there were places where there would be alternative suppliers, for example in big urban areas. The more rural the area, the fewer alternative suppliers there would be, because they did not have the economics to roll out a network.
81. H3G said that it was possible that a third party supplier could provide a solution based on Openreach inputs, but there was still the challenge of connecting the site to the MNO's data centres. This required infrastructure, and H3G's experience to date was that nobody else had that infrastructure.

Dark fibre

82. [REDACTED]
83. H3G said that MBNL [REDACTED].
84. In respect of the Ofcom proposal that Openreach supply dark fibre on a regulated basis, H3G considered that having another dark fibre provider would be a good thing, and the chances were that Openreach would have a much wider reach than some of the others. There was still the challenge of connectivity. For a dark fibre strategy to work on a grand scale, a supplier would still need to build out fibre rings to get all of those aggregate points back into the core network data centres. That was still a significant infrastructure to build out.

Business mobile

85. H3G told us that as an operator, [REDACTED].
86. [REDACTED]
87. [REDACTED]
88. H3G noted that, taking into account the counterfactual with the O2 acquisition, O2 was much bigger in the corporate segment.

Consumer mobile

89. From a consumer perspective, H3G told us that it had always been a very data-centric operator. The opportunity that came with 3G was data. It had always focused its position in the market, its marketing, brand, and propositions, largely around data. H3G had been generous with data allowances and had always tried to ensure its network had been at the forefront of maximising the data opportunity. Its distribution strategy had been largely direct distribution, with [X] stores today, a website and some telesales activity. It focused distribution around [X].
90. H3G told us that, on the contracts side of its consumer business, at least [X]% of sales went through its own direct channels, and probably less than [X]% went through its indirect channels (such as Tesco and A1 Communications). From a 'pay as you go' perspective, H3G relied on a broader distribution, using newsagents and supermarkets to distribute.
91. H3G told us that data was becoming a more and more important differentiator of the consumer offering in the market. There were a variety of different segments within the market that have different needs and appeals, with data centric customers, and also customers that were not interested in data and just want to use voice and text. H3G had some quite detailed analysis of different segmentation, in terms of where it thought it could realistically compete, and in terms of the demographics where it was not competing.
92. The data centric segment was [X] for H3G. That [X] was where it stood in the market from a brand perspective, in terms of having built up that 3G position over time. More recently, [X] in terms of the 'Feel At Home' proposition, where customers could use their mobile in 18 countries worldwide for no extra cost, using standard bundles of minutes, texts, data, and avoiding excessive roaming charges which might otherwise apply. That represented a slight shift in appeal from purely data, although a lot of the extra cost of roaming overseas was in data usage.
93. H3G said that it had tried to choose areas where people travel to most frequently and then looked to make sure that it could get the right commercial agreement in place. [X]
94. H3G said that its offering of unlimited data use had been successful and its network carried more data than any of the others. Data was not necessarily something that consumers five years ago knew they needed or wanted, or were scared to try it because historically data prices had been so high. The initial real opportunity of 'all-you-can-eat data' was almost an insurance policy, so that customers could actually get used to using their phone or tablet in a

world where they didn't have to worry about receiving a £200 or £300 bill at the end of the month. Even today, for a consumer it was quite hard to know exactly how much data was being used.

95. [REDACTED] But fundamentally, it was not about targeting necessarily very data centric customers; it was about encouraging people to experience data, which in turn would get them comfortable using it, get them comfortable talking positively about H3G as a network [REDACTED].
96. H3G explained that, as customers had become used to using data, the speeds on the network, as well as the services that people need, particularly video, had driven more and more data. Over time, the usage of data per customer on all-you-can-eat had grown quite significantly. Over time H3G have gone from a fairly binary all-you-can-eat data or a relatively low data package, and not much in between, to starting to insert data tiers, so that it gave customers choice as they had better knowledge in terms of what they need. But, for example, if a customer only needed 2GB of data, the customer should be able to pay only for the 2GB of data.
97. H3G said that the price of all-you-can-eat data had been [REDACTED], because it had put more tiers in the middle, which gave customers more choice. The people that were paying [REDACTED] for all-you-can-eat data tended to be the ones that were the most data centric. They did not take it because they wanted that security blanket; they took it because they wanted to use high amounts of data. [REDACTED]
98. H3G said that, in terms of managing yield and managing the customer base to avoid the network becoming congested, [REDACTED].
99. H3G told us that the customers using the most data, by definition, were probably in parts of the network that were not particularly congested, because to use some of the data usage that they had, they would have to be experiencing, on a regular basis, the highest download speeds, which could not be achieved in a congested cell. So in absolute terms, H3G's highest data using customers were possibly some of its better customers, because they might be in an area where that cell site was not particularly heavily utilised.
100. H3G said that, in urban locations, it was far more likely that there would be some sort of congestion, and therefore there would not be the opportunity to download as much as would be possible in a rural, uncongested area. The cell sites in the network that had the least congestion gave customers more opportunity to download more. It was a factor of how many customers were on the site, and congestion varied by geography and time. Heavy data users tended to be people that were either streaming video or doing downloads. Normal web browsing did not generate that kind of traffic.

101. The key factor for congestion was the number of customers, not whether the customers were using the all-you-can-eat tariff or were heavy data users. So typically, H3G had [REDACTED] in the more densely populated areas.
102. H3G explained that, if it had a particular area, with a particular volume of customers that was causing congestion, it could [REDACTED]. They were the variables that were available. Generally, [REDACTED].
103. [REDACTED]
104. [REDACTED]

BT's presence in retail mobile

105. H3G told us that it thought that BT would have had the potential to be a strong competitor in the market. It had a number of assets that it could credibly use to compete in the market, including its Wi-Fi network, leveraging its 7.7 million customers with the femtocells in the home, and its street infrastructure. The BT brand was a credible brand within the market. Arguably, based on Ofcom's new definition of this sub-national operator, it was probably the first among equals.
106. H3G said that BT not being in the market did not change the fact that the overall market dynamic was still going to be very competitive. It was before it came in, and H3G was confident it would continue to be competitive without it being there.
107. H3G said the flipside was that the combination of BT and EE together would create an even more formidable competitor, and therefore, by definition, would essentially drive even more competition in the market. Having close to 8 million existing broadband customers that it could cross sell into was a big advantage, as those customers presumably trusted the BT brand, having chosen it over something else, and there would be a degree of opportunity there to quickly go to those customers and ask them if they wanted to expand their relationship. All of those customers were existing Wi-Fi customers, so there was an immediate overlap between the customer base and the Wi-Fi infrastructure. Starting up already with the opportunity to cross sell into a substantial customer base like TalkTalk had, and like Sky would have next year, was a significant asset.
108. H3G considered that femtocell technology was not a special advantage to BT, but again made them a first among equals. Virgin had got some 1800 spectrum that it could use, as had BT. So there was an equality there, but what BT had that other sub-national operators may not have had was the

2600 MHz spectrum, which could potentially be used both inside and outdoors.

Upcoming spectrum auctions

109. [REDACTED]
110. H3G said that the spectrum that was coming up in the near term was less valuable spectrum than the existing 2.6 GHz and 1800 MHz spectrum that was in the market. There was some 1400 MHz spectrum coming up, which was called supplemental downlink, and that was a private sale by Qualcomm. There were no handsets in the market today that support that, so there would be some significant limitations and potential risk in terms of that adoption. 2300 MHz spectrum was arguably a little bit ahead of the curve, a bit more standardised, but equally it would take time for handset penetration to grow and certainly it would be at a slower rate than what H3G would have expected to see. Lastly, there was 3400 MHz spectrum, or high frequency spectrum, where there was a handset ecosystem issue, and the coverage that could be achieved from that high frequency spectrum was completely different. It would be a much smaller cell and would not have the coverage that a 1800 MHz spectrum or even a 2300 spectrum would have. H3G thought that most of the most valuable spectrum had already been taken. Arguably, the 2300 MHz was the one that would be most sought after, but [REDACTED].
111. The key rationale for H3G's shareholders to buy O2 was to [REDACTED].
112. H3G told us [REDACTED].
113. [REDACTED]

Bundling

114. H3G told us that the importance of bundling from the perspective of the mobile market would appear to be extremely significant overseas, based on high level trends. In the UK, there had been a slower take up of customers that were choosing to take a bundle. It was not clear why the UK differed dramatically from the overseas countries, but H3G suspected that there had been less marketing in the UK compared to other countries. If and when marketing was ramped up, H3G would expect to see some of the overseas trends mirrored more in the UK. This was still in the early stages, and H3G's view was that it would not materially take off in the next six to 12 months, but over time it would be a key part of the marketing message of anybody that had got the opportunity to bundle.

115. H3G saw the entry of BT and, from next year Sky, into the mobile market as being likely to stimulate bundles. As a pure mobile operator, H3G had to make sure that its mobile service compared favourably against everyone else in the market. If it could not do that, H3G said that it was unclear why a customer would choose it as a mobile-only player compared to someone else that offered that and more. Fundamentally, H3G had to be as good as it possibly can be at offering mobile. Although the purchase of O2 would make H3G a bigger mobile operator, it did not make it better off in terms of moving into a bundled offering.
116. H3G told us that in terms of competition in the mobile market as a result of the BT/EE merger, the key factor was the significant advantage that EE had today with its spectrum portfolio, and if one adds on BT spectrum, what changes in the market would be that the combined operator would have an unassailable position in terms of being able to offer the fastest speeds in the market. If that was coupled with all of the advantages of Wi-Fi access that BT brings, the fact that EE had 25 million mobile customers to add to the 8 million customers that BT had already, the merged entity would be a very strong player in the market. This may be good for competition in the short term, but H3G was concerned about the longer-term potential impact on competition because of the risk of such a strong operator distorting competition.
117. H3G was concerned that other competitors would be unable to match the merged entity on speed without the right type of spectrum. This could lead to a situation where one player in the market was in a position that no-one else could match, and that was a dangerous place to be in terms of what it could then do in terms of pricing, or how it could potentially use that advantage.
118. H3G said that if one looked at H3G and O2, on a standalone basis, given the current spectrum portfolios that they had, [REDACTED].
119. H3G observed that in the market today, EE was investing a massive amount of marketing money in terms of the speed of 4G, and would not be doing that if it wasn't important. EE's average speed on 4G today was about twice as fast as 3G. Looking at the speed and take up of 4G, in the space of two years EE had managed to convince almost half of its customer base, if not maybe slightly more, to move from 3G to 4G. Looking at H3G's current customer base, [REDACTED]. So if competitors were in touching distance it was manageable, but if a large gap formed then it would start to get to a point where it became a much higher risk.
120. [REDACTED] H3G noted that if an MNO had only a 2G network today versus other people's 3G and 4G networks, it would ultimately have to withdraw from the market. 4G now versus what 4G would be in five or ten years' time was going

to be quite different, and MNOs could only achieve that transition with certain spectrum assets. If there weren't other solutions to the problem, then it could potentially force someone to exit from the market.

121. [REDACTED]
122. H3G believed that there was a significant risk that BT/EE would be in a unique position, being the only operator to offer those fastest speeds in the market, [REDACTED].

Wholesale mobile

123. H3G told us that [REDACTED].
124. [REDACTED] market share in wholesale was probably about [REDACTED]%. [REDACTED]
125. [REDACTED]
126. [REDACTED]
127. [REDACTED]
128. [REDACTED]
129. [REDACTED]
130. [REDACTED]
131. [REDACTED]
132. Assuming the H3G/O2 merger was to go ahead, H3G estimated that it could get a [REDACTED]% uplift in the number of sites that it could deploy both sets of spectrum on. It would also provide greater opportunity to [REDACTED]. This would put H3G/O2 in a good position to bid for new MVNO customers.
133. [REDACTED]
134. As a baseline, H3G offered a comparable level of service to MVNO customers across the board and offered parity with their own retail customers. [REDACTED] Contract length depended on the needs of the individual customer.