

Do you consider that the CMA's analysis is correct with respect to the suspected features of concern in the supply of the Airwave network (and ancillary services) in Great Britain?

Based on the evidence presented and [redacted] the history of the Airwave agreements, there is clear evidence to suggest that the analysis presented is fundamentally correct, particularly in relation to the supply of the Airwave network. However, [redacted].

Do you consider that the CMA's analysis is correct with respect to the reference test being met in relation to the supply of the Airwave network (and ancillary services) in Great Britain?

[redacted] agrees that the reference test threshold is met, but that is only one factor to consider.

[redacted] believes a broader objective needs to be considered, which may be possible to express only implicitly within the CMA consultation: correcting monopoly-based behaviours may be desirable, but the first objective (and the source of greatest long-term value to the taxpayer) needs to be the successful exit of all aspects of public sector Airwave agreements as soon as reasonably possible. [redacted] doubts if the objectives and potential remedies proposed by the CMA will achieve this broader, overarching priority.

Do you agree with the CMA's proposal to exercise its discretion to make a reference in relation to the supply of the Airwave network (and ancillary services) in Great Britain?

As outlined in other responses, the CMA needs to consider carefully whether exercising its discretion is likely to deliver [redacted] the overarching objective of all discussions relating to Airwave.

Do you consider the proposed scope of the reference, as set out in the draft terms of the reference in Appendix C would be sufficient to enable any adverse effect on competition (or any resulting or likely detrimental effects on customers) caused by the features referred to in paragraph 2.13 to be effectively and comprehensively remedied? The scope of the reference, and the role of the CMA, can only partially remedy the issues highlighted in paragraph 2.13.

The very nature of the CMA review and the points in paragraph 2.13 are backward-looking solutions. The most credible, sustainable solution must include a clear, unambiguous set of commitments (with related consequences) that drive both the transition/exit of the Airwave contract and the introduction of ESN, which may only be possible by establishing incentives/sanctions that motivate Motorola accordingly.

Do you consider that the adverse effect on competition (or any resulting or likely detrimental effects on customers) caused by the features referred to in paragraph 2.13 are capable of being effectively and comprehensively remedied by undertakings in lieu of a MIR.

Potentially. If Motorola were to make appropriate commitments and the Home Office can establish appropriate incentives/sanctions in a compliant fashion, [redacted] believes a solution can be established by undertakings in lieu of a MIR.

Do you have any views on our current thinking on the types of remedies that a MIR could consider (see paragraph 2.26 above)? Are there other measures we should consider?

Of the two remedies proposed, [redacted] believes that the first (price caps) is strongly preferable to the second (divestiture), which carries much more uncertainty (unless Airwave transfers to public ownership). Additional measures/solutions should primarily be the responsibility of the Home Office team that is negotiating the Airwave extension and clear accountability should accompany this focus. [redacted].