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By email to [CloudMI@cma.gov.uk](mailto:CloudMI@cma.gov.uk)

### **BT Group's Response to the CMA's Public Cloud Infrastructure Services Market Investigation**

We welcome the CMA's investigation into public cloud infrastructure services. This letter responds to the CMA's revised issues statement and working papers, published in May and June 2024.

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### **CMA should also consider the suitability of market solutions to potential theories of harm**

BT (and possibly other firms) may be developing market solutions to some of the issues identified by the CMA.

For example, BT's 'Global Fabric' – a Network-as-a-Service (NaaS) proposition – simplifies multi-cloud connectivity, security, and infrastructure for organisations.

- **Switching:** We are confident that this market solution will enable our customers to adopt a multi-cloud approach and to switch between different cloud providers more easily.<sup>1</sup>

Global Fabric 'Points of Presence' (PoPs) are built in global Carrier Neutral Facilities (CNFs). These are data centres in which any telecoms service provider can establish a point of presence. Connectivity to the multi-cloud, including cloud service providers internet service providers (ISPs), Software as a Service (SaaS) and Secure Access Service Edge (SASE) providers is pre-provisioned in these data centres. BT customers can buy shared or dedicated ports and connections to their equipment racks or cloud partners.

Connectivity is deployed logically, i.e. in near real-time once any physical components such as last mile connectivity or cross-connects are delivered. Services, such as IP Virtual Private Network (IPVPN), Layer 2 Ethernet or Internet, are also provisioned logically. Customers can make near-real-time changes via an easy-to-use digital user interface and API-first integration, for example, to create new connections and change bandwidth and services.

Manging multi-cloud: Global Fabric also makes it easier for customers to move between cloud service providers by being pre-connected to the multi-cloud. This

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<sup>1</sup> [Global Fabric | Network as a Service Solutions \(NaaS\) \(bt.com\)](https://www.bt.com/global-fabric-network-as-a-service-solutions)

makes it easy to logically spin up a new connection to cloud service provider B, migrate workload / data from cloud service provider A, and then spin down the original connection to cloud service provider A.

- **Egress fees:** Global Fabric could also offer a market-based solution to challenges surrounding egress fees, outlined by the CMA in question 4.96 (d) of its egress fees paper, e.g.:

Managing egress fees: For customers currently using the public internet to connect to cloud service providers and who are incurring high egress charges, Global Fabric offers an alternative using pre-built shared, or dedicated, "private" connections. An example is Global Fabric connecting into Azure ExpressRoute<sup>2</sup> at the CNFs. Depending on the volume of data leaving the cloud service provider, it may be cheaper for customers to pay a flat monthly rental charge to BT for private connectivity to Azure ExpressRoute (see Figure 1 below), plus a small variable egress charge to Microsoft, rather than the fully variable egress charges using the public internet.

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We would welcome the opportunity to present how our integrated multi-cloud offering works to the CMA, in particular the ways in which it enables businesses in the UK and elsewhere to use multi-cloud offerings.

Yours faithfully,

**BT Group**

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<sup>2</sup> [Azure ExpressRoute Overview: Connect over a private connection | Microsoft Learn](#)