

Dear,

As the merger faces ongoing scrutiny, including the CMA's upcoming decision in December 2024, we note that Vodafone and Three have made further concessions which they argue should address competition concerns. Specifically, their promises to maintain low tariffs, such as the £10 price point for the SMARTY and VOXI For Now brands. However, these commitments raise critical concerns for MVNOs that must compete in the retail market while relying on access to wholesale network capacity.

Vodafone and Three's stated proposed remedies will include increased wholesale access and a reference deal for MVNOs. However, for this to genuinely address competition issues, the wholesale pricing must allow MVNOs to offer competitive retail tariffs. The £10 retail price benchmark they have set, equivalent to £8.33 excluding VAT, should directly inform the pricing framework for any MVNO wholesale deal. Without such alignment, MVNOs will struggle to operate competitively, and this could ultimately reduce consumer choice in the market.

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It is imperative that the CMA closely scrutinises the wholesale pricing commitments of Vodafone and Three. Any reference wholesale deal should ensure that MVNOs can access network capacity at a price point that allows them to viably compete with Vodafone-Three's retail tariffs. We believe that a failure to address this concern could result in reduced competition in both the retail and wholesale telecom markets in the UK.

We urge the CMA to prioritise the importance of fair and transparent wholesale pricing as part of its ongoing evaluation of this merger. As a potentially key player in the MVNO market, we are committed to offering affordable services to UK consumers, but this will only remain possible if competitive conditions in the wholesale market are maintained.

We remain available for further dialogue on this issue and hope that the CMA will take into consideration the challenges faced by smaller MVNOs in a consolidating market.

Regards,