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BY EMAIL TO: eauru@iccc.gov.pg; ssugl@iccc.gov.pg

Commissioner and Chief Executive Officer  
Independent Consumer & Competition Commission  
First Floor, Garden City  
Garden City  
Boroko NCD 111

**ATTENTION: Mr Paulus Ain**

Dear Sir

**KUMUL CONSOLIDATED HOLDINGS - MERGER OF DATACO, TELIKOM AND BMOBILE**

We refer to your letter dated 10 April 2017 in which you asked for specific comment on our attitude as members of the public to an application for clearance and authorisation for a merger of DataCo, Telikom PNG and B-Mobile.

Our position is that we have no objection to the ICCC granting authorisation or clearance to the proposed merger. However we urge upon the ICCC that it consider broader regulatory considerations affecting the communications market.

As communication services consumers we are most critical of the existing service standards of all three applicant organisations. There can be no benefit in organising a market where the KCH communications entities are organised into fractured market segments whilst the only competitive group, namely Digicel, is wholly vertically integrated. In that scenario competition results in self cannibalisation of Telikom and Bmobile.

Competition in the communications sector would, in our observation, be better served by strengthening competition to Digicel. This could be achieved by allowing the KCH entities to merge and coalesce their assets, management and resources to better compete with Digicel.

Further, our observation is that competition would be better served by policies which forced both telco operator groups to:

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- divest their content companies and services so that they focussed on improving the quality of their carriage networks and carriage access allowing contestible content access to the networks by others;
- construct fibre optic cable gateways into/out of to the country which planned ahead for future needs and not merely tried to catch up with existing needs;
- install fibre to each building in major urban areas in consultation with city planning authority driven infrastructure upgrades;
- become subject to criminal sanctions punishable with a substantial fine for engaging in the practise of blocking data ports and protocols.

We are also able to make the observation that there is no longer any reason as a matter of fact or in law to distinguish between internet data services, fixed line telephones, mobile telephones or television and radio broadcasting. This is because technology has passed well beyond digital convergence into virtualisation. Any end user communication device is, by limit only of its own design, capable of being anything or everything. The only commodity now consumed is data. This is why the phrase "internet of things" and the acronym "IoT" has entered our language. To distinguish between service types is now a commercial contrivance.

In the short time which has been given to us to respond we have not set out in detail the reasons for the position we have communicated above however we are willing to expand on specific reasons if it is of interest.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Steven O'Brien', with a circular flourish at the end.

**Steven O'Brien**  
**O'BRIENS**