



Commpete sounds note of caution after court rules in favour of TPG x VHA merger

Following today's court decision to allow the \$15 billion merger of telecommunication giants TPG and VHA, Commpete, an alliance of challenger telco providers, urges the ACCC to continue applying strict competition standards whilst the new company is shaping up.

“The merger is a missed opportunity for Australian consumers to experience real competition. The telco market will suffer from a domination by three giant companies who have the power to shut small players out of the market. Commpete will continue to remind the ACCC and policy makers of the importance to establish regulations ensuring fair access to the wholesale market for challenger brands. Global research shows that 30% market share for smaller brands is the right balance to foster effective competitive dynamics. This benefits consumers in terms of lower prices, increased service levels and faster technology penetration,” says Commpete Chair Michele Lim.

Commpete aims to end a domestic telco market where by global standards, households and businesses pay too much for the mobile and fixed internet services provided. Strong challenger brands play an integral role in driving value and innovation.

“We know from other markets that the only way Australians will get the mobile and internet services they deserve is by strengthening challenger brands. Commpete is going to continue to challenge decisions hostile to competition and ultimately to the Australian consumer,” says Ms Lim.

Commpete aims to secure

- A flourishing wholesale digital communications market that enables competition with open and timely access to consumers;
- The ability of new companies to enter and thrive in the market;
- A target of 30% market share across the communications sector to be held by challenger providers;
- A write down of the NBN;
- A commitment to structural separation principles of the NBN.

Notes to editor:

Michelle Lim is available for interviews to talk about the mobile and fixed line market, how challenger brands increase competition and Commpete's views re the NBN.

Media contact:

Julian Rosenberg

Commpete

media@commpete.org.au