



JT's Non-Confidential Response to
GCRA Consultation –
Business Connectivity Market Review –
Market Definition and SMP Assessment –
Proposed Decision

13th May 2022

1. Introduction and Response

- 1.1 JT (Guernsey) Limited (“JT”) welcomes the opportunity to respond the Business Connectivity Market Review (“BCMR”) – Market definition and SMP assessment proposed decision (the “Consultation”). This is a non-confidential response and can be published in full.
- 1.2 In the Consultation, the GCRA seeks comments on its proposed decision on the definition of the on-island leased lines market and its proposed finding of dominance in the wholesale on-island leased lines market.
- 1.3 JT agrees with the GCRA’s proposed market definition in both the product and geographic market that:-
 - 1.3.1 All bandwidths are in the same product market and the market should not be narrowed to reflect the delivery technology or to include fixed broadband. We also agree that it should not be narrowed to reflect the use of leased lines and that self supply should be included in the wholesale market.
 - 1.3.2 The geographic market is the whole of Guernsey as the conditions of wholesale competition are the same across the whole of Guernsey.
 - 1.3.3 JT agrees that analytically, duct (and other physical infrastructure deployed for the purposes of supporting fixed telecom networks)¹ and dark fibre are upstream inputs into the provision of leased lines and therefore sit in the same market, however, the practicality of implementation and the demand for those products has not been assessed and is uncertain. We therefore expect that the GCRA will consider these other factors in its consultation on BCMR remedies.
- 1.4 JT agrees that there is not a separately defined market for mobile backhaul. However, we disagree with the GCRA’s view that microwave solutions are not adequate substitutes for leased lines in a forward looking assessment of the leased lines market. We believe that some operators will still utilise microwave for mobile backhaul as well as for other connectivity requirements, especially in remote locations where the cost to dig to extend network is commercially unviable. We also anticipate market developments in microwave technology to support higher bandwidth

¹ [2020 WFTMR Volume 2: Market assessment \(ofcom.org.uk\)](https://www.ofcom.gov.uk/consult/condocs/wftmr/wftmr_vol2/) – page 38

requirements and we therefore believe the GCRA should revise its decision to include microwave solutions in the same market. In addition, the roll out of 5G is likely to be slower in Guernsey than in other neighbouring markets due to government policy and therefore the high speed connectivity requirements that come with the roll out of 5G networks may not materialise in the timeframe of this market review.

- 1.5 Dominance – JT agrees with the GCRA’s conclusion that all OLOs will remain dependent on wholesale inputs from Sure, for both their retail offerings and to extending their own networks during the timeframe of this market review period and therefore Sure remains the SMP provider in the on-island wholesale leased line market in Guernsey.