

Dear Sirs. In response and comments regarding the Ofcom Consultation regarding GSM Gateways (6<sup>th</sup> November 2015 to 7<sup>th</sup> December 2015).

There is no confidential information in this communication.

#### Background

My name is Paul Sweetland a former Director and shareholder of Obsidian Wireless Ltd [OWL], in liquidation.

OWL were the main provider of COSUG services in the UK. The services included providing equipment (GSM gateway hardware and software), specialist planning and implementation, configuration, daily monitoring, reporting and other aftercare services, under a managed service agreement. Customers procured airtime directly from the Mobile Operators, via OWLs chosen airtime distributor.

Typical customers and target customers were large UK based organisations that generated a meaningful volume of office to UK mobile traffic, as part of their business. OWL acquired 220 customers since 2004. These customers consisted of NHS Trusts, Local Government, Central Government, Universities, Banks, Retail and other service based commercial organisations, and call centres. The customers enjoyed the cost savings, the (call routing) diversity and the support delivered from OWL. OWL had a 90%+ customer retention rate year on year. It was a compelling model for customers and potential customers.

#### Response and Comment

The latest Consultation and recommendations are welcome, albeit it is too late. OWL and many customers have been disadvantaged. OWL (and former 'sister' operations) strategy and target markets were defined, and limited by, the Ofcom Regulations set out since 2003, however the current Ofcom legislation was sufficiently 'unclear', meaning;

1. Even after internal due diligence, including reference to Ofcom, many potential customers remained unsure of the use of a COSUG, and consequently were unsure of the OWL proposition. If customers were in doubt, most did not proceed.
2. Fixed and Mobile Operators Telecoms operators (and incumbent Telecom providers) were able to de-stable the customer decision making process, by fuelling doubts that Gateways were 'illegal'.
3. OWL's business was continually thwarted by the appropriate sourcing of airtime, on behalf of the customers. Mobile Operators often refused to provide airtime, as GSM Gateways were considered 'illegal'. Many customers wanted to proceed but were unable to obtain airtime.
4. Central UK Government procurement agencies did not recognise the use of GSM Gateways, even though they could deliver an estimated £150m per annum, of direct cost savings to the UK public sector.
5. At no time was there any evidence, or complaint, of interference (harmful or otherwise) across the whole customer base, which was spread across most of the UK.

All of the above meant that the development of OWL's business was frustrated on a daily basis, and OWL shall seek a legal opinion, and legal support to establish damages that are potentially due.

Paul Sweetland (Shareholder Obsidian Wireless Ltd)