

Consultation response form

Please complete this form in full and return to cloudreport@ofcom.org.uk

Consultation title	Public cloud infrastructure services, Consultation: Proposal to make a market investigation reference
Full name	[X]
Contact phone number	[X]
Representing (delete as appropriate)	Self
Organisation name	
Email address	[X]

Confidentiality

We ask for your contact details along with your response so that we can engage with you on this consultation. For further information about how Ofcom handles your personal information and your corresponding rights, see [Ofcom's General Privacy Statement](#).

Your details: We will keep your contact number and email address confidential. Is there anything else you want to keep confidential? Delete as appropriate.	My name
Your response: Please indicate how much of your response you want to keep confidential. Delete as appropriate.	None
For confidential responses, can Ofcom publish a reference to the contents of your response?	Yes

Your response

Question	Your response
<p>Question 2.1: Do you consider that our analysis is correct with respect of the suspected features of concern in the supply of public cloud infrastructure services in the UK?</p>	<p><i>Is this response confidential? –N</i></p> <p>I agree with Ofcom’s analysis, although believe there are numerous other proof-points and should be many other concerns of anti-competitive practices, and the resulting damage to consumers and businesses.</p> <p>Within the tech sector, these worries are regularly articulated and well-understood.</p>
<p>Question 2.2: Do you consider that the proposed scope of the reference, as set out in the draft terms of the reference, would be sufficient to enable the market investigation to properly assess the features referred to above?</p>	<p><i>Is this response confidential? – N</i></p> <p>Yes.</p> <p>Although there are many important issues that directly affect and ultimately disadvantage consumers and business – such as concentration of data, misleading pricing structures, excessive profits, incentives to only use a single provider, inability to negotiate contract terms, paying tech professionals to have “free” training effectively locking in skill sets, etc.</p> <p>Government needs to take a wider view as to the potential damage that the dominance of a small number of non-UK providers could have to our national security, resilience, economy and ability to grow the wider UK technology industry.</p> <p>This wider more holistic analysis and view needs to be taken to truly understand the potential damage to our economy and consumers.</p>
<p>Question 3.1: Do you have any views on our current thinking on the types of remedies that a MIR could consider (see above and Section 8</p>	<p><i>Is this response confidential? – N</i></p> <p>Data egress fees. I largely agree with Ofcom’s proposals although believe that in addition;</p>

of the market study final report)? Are there other measures we should consider?

- There are a large number of essential options (such as bandwidth, security features, etc) that are priced separately in a large part to confuse consumers, make pricing comparisons harder, and make the initial price seem much lower than reality. A car analogy would be that the consumer would need to be knowledgeable to order upfront all the parts of an engine, so as not to be later surprised that there were additional essential parts needed.
- Having a costed exit plan that explained the costs of migrating data
- Having a costed exit plan that clearly identified locking features not available on other platforms.
- Allowing business to use an external device to remove data (AWS will only allow data to be ingested to their platform with Snowball or a similar device and NOT exported).

Committed spend discounts. I largely agree with Ofcom's proposals although believe that in addition;

- Committed spend discounts are anti-competitive and a powerful lock-in tool. Mandatory reporting to Ofcom for a certain size, spend or discount level might provide a better insight and potential intervention tool.
- The requirement to spend to a committed level, is often seen within organisations as rational to use higher level feature sets (ie AI and PaaS features) without competitive evaluation or procurement as they are considered "free".
- They incentivise moving workloads from other clouds or hosting providers, without competitive procurement or rational business cases.

Question 3.2: Do you have any views on areas where we should undertake further analysis or gather further evidence as part of an MIR in relation to the supply of public cloud infrastructure services?

- *Is this response confidential?* – N
- Lack of a competitive process in public procurement.

	<ul style="list-style-type: none"> • Concentration risk of large amounts of data in a small number of providers and its potential effect on the resilience of the UK economy. • Security of personal data, data sovereignty and the potential risk and disadvantage to the UK economy.
<p>Question 3.3: Do you agree with our proposal to exercise Ofcom’s discretion to make a market investigation reference in relation to the supply of public cloud infrastructure services in the UK?</p>	<p><i>Is this response confidential? – N</i></p> <p>Yes.</p>

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