
From: Airihi Mahuika [mailto:Airihi.Mahuika@telecom.co.nz]
Sent: Thursday, 20 August 2009 10:49 a.m.
To: Shane Kinley
Cc: Corin Maberly; Ken Ginn; Simon Haines
Subject: Release of Reclassified Information in the Commission's Draft Report

Hi Shane

This email follows up on our discussions yesterday about the reclassification of information based on confidential Telecom/Vodafone numbers in the Commission's draft recommendation as "public" (pages 171-172). We appreciate the opportunity to consider this issue further over night.

Our advisors from NERA, (who are signed up to the Commission's section 100 order) informed us this morning that they were able to reverse engineer the information the Commission is intending to reclassify to develop close estimates of Vodafone on-net revenues and volumes based from information that Telecom itself holds. They also advised that an estimate of the ratio of Vodafone's revenue/volume could be determined. On this basis we expect that Vodafone would be able to do the same.

The issue then become, how valuable would such estimates be to Telecom and Vodafone? We have tested this with Telecom's retail mobile team, without revealing any of the confidential information, and were advised that having such estimates would be very valuable indeed. That information, supplemented with existing market intelligence, could be used to derive a number of valuable pieces of information from a competitive perspective.

Therefore we consider that it would be inappropriate to reclassify this information as public information, as its public release would be prejudicial to the commercial position of Telecom.

We also consider that it is important, where the Commission intends on reclassifying any Telecom RI (or information based on Telecom RI) that we are able to comment on this beforehand, as anticipated under clause 25 of the Commission's confidentiality order.

I'm happy to discuss this further as useful.

Kind regards
Airihi

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