

Anti-Competitive Practice in the Mobile Virtual Network Operator (MVNO) Market

A Submission for the Commerce Commission

There are three mobile network operators in New Zealand; One NZ, Spark and 2degrees. A number of other internet service providers (ISPs) access these mobile networks in order to offer a virtual mobile network to their customers. Such ISPs are called Mobile Virtual Network Operators (MVNOs). A number of ISPANZ members are MVNOs.

The launch of low Earth orbit (LEO) satellite systems has facilitated mobile network operators being able to offer text messaging outside mobile coverage areas. This has been promoted as a key safety feature for rural communities.

One NZ had confirmed, both verbally and in writing, to ISPANZ members that satellite text capability would be made available to MVNOs on 1st April 2026. That has not happened and ISPANZ members have been advised that One NZ has made a business decision not to provide this capability on their wholesale platform. This cannot be due to technical reasons as Farmside, which is owned by One NZ, has been provided with this capability. Indeed, during recent civil emergencies One NZ enabled satellite texting for all MVNOs. This shows that the decision to bar MVNOs access to satellite texting is purely to suppress competition.

Spark is not currently making satellite texting available to its wholesale partners.

This has created an uneven playing field where MVNO providers are unable to offer the same core services as the host network, even when those services are being actively promoted as critical infrastructure. The result is that MVNOs are losing customers to One NZ and to Spark. Previously these customers had consciously chosen not to use One NZ or Spark, preferring the service provided by those ISPs that act as MVNOs.

ISPANZ submits that refusing to make satellite texting available to MVNOs is anti-competitive behaviour because it is:

- a restrictive trade practice,
- misuse of market power,
- withholding the supply of essential safety services, and
- not in the long-term benefit of consumers within New Zealand.

Request:

It is requested that the Commerce Commission investigate the withholding of satellite texting from MVNOs and:

- if current practice by One NZ and Spark is in breach of the Commerce Act, direct them to comply with the Act and make satellite texting available to MVNOs, or
- if current practice is not currently contrary to the Commerce Act, arrange for MBIE to draft an appropriate Bill to ensure that it is.

Best Regards,



David Haynes

Chief Executive

8th April 2026