

Network Leasing Between Cellular Carriers Draws Fire From MVNOs

TOKYO (Nikkei)--Cellular phone service providers should not be allowed to lease communications lines among themselves, a trade association for MVNOs (mobile virtual network operators) said Wednesday.

MVNOs do not have their own infrastructure, but are allowed to offer cell phone services by leasing network capacity from licensed carriers.

These operators have been created as a result of government efforts to encourage new entrants into the cell phone market. But the move was never meant to let one licensed carrier lease communications lines from another, according to the MVNO association.

The trade group's statement coincided with Softbank Mobile Corp.'s announcement the same day that it would offer high-speed wireless data communications service from March, using infrastructure owned by Emobile Ltd.

Licensed cell phone service providers are required to have their own networks. For them to lease networks from other licensed carriers is tantamount to abandoning their responsibilities, the association said.
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