

Vonage Limited (“Vonage”) welcomes the opportunity to respond to Ofcom’s Consultation Directory Enquiries (118) Review. A review of the cost of calling Directory Enquiries (118) dated 13th June 2018.

1. Vonage is a VoIP telephony service provider of cloud based hosted voice services to small business customers and also a provider of over the top (“OTT”) voice telephony services to consumers across their broadband, 3G and 4G connections.

2. The facts about the exorbitantly high cost to consumers of calling telephone directory enquiry (DQ) services provided on 118 numbers speak for themselves. Why 118 DQ prices at such outrageously high rates have been allowed does not stand up to scrutiny especially in an industry where the trend for telephony services is one of steady price reductions. Prices as much as £8.98 and £15.98 a call cannot possibly be justified. Regulatory intervention against such high consumer charges is long overdue.

3. Whilst Ofcom’s price cap of £3.10 per 90 seconds for a DQ call (including VAT) is welcome, the cap resolves only one part of the problem of calling DQ services. The other element that must be addressed is the exorbitant cost of using onward call connection services. The cost of calling a number using onward call connection is significantly greater than the rate that would apply if the caller had dialled the number directly. A cap is therefore required on onward call connection charges. In our view a cap of 10 pence per minute (inclusive of VAT) should be applied to onward call connections to geographic landline and mobile numbers. This dual cap together with greater transparency around the marketing and pricing of DQ services will help protect consumers and avoid bill shock associated with using DQ services. A dual price cap coupled with a fit for purpose regulatory framework ensuring consumers can make an informed choice in the knowledge of the true cost making a 118 call and the cost of onward call connection is what is required.

4. We hope that Ofcom finds this response constructive and of use. Should you require any elaboration on this response please let us know.