

Consultation response form

Question	Your response
<p>Question 3.1: Do you agree with our proposal to remove the obligation for telecoms providers to provide the local dialling facility? Please provide reasons for your response.</p>	<p>Confidential? – Y / N</p>
<p>Question 3.2: Do you agree with our proposal to retain the provisions in the Numbering Plan which (i) allocate location significance to area codes and (ii) allow phone users to request out-of-area use of geographic numbers? Please provide reasons for your response.</p>	<p>Confidential? – Y / N</p>
<p>Question 4.1: Do you agree with our proposal to modify the Numbering Plan to prohibit direct and indirect revenue sharing with the calling party for calls to all geographic and non-geographic numbers? Please provide reasons for your response.</p>	<p>Confidential– N</p> <p>Core does not agree to this proposal.</p> <p>OFCOM has previously given its support to smaller and medium sized operators pointing out the importance of micro payments across industry in helping generate innovation and competition. This proposal goes against OFCOMS stated provision and could have a greater impact PRS services as a whole if it is implemented.</p> <p>The proposal is anti-competitive as it prevents service providers from offering a legitimate service.</p> <p>The proposed changes to the Numbering Plan will affect far more services than was intended and will reduce income for a number of charities.</p> <p>In regard to calls for cash, the basis BT claim for barring this type of service is unsound, it is based on unsupported allegations of AIT. Their view is based only on opinion and unsupported claims of poor faith commercial actions by the TNO's. In addition, allegations that Calls for cash harms consumers and drives up prices have not been evidenced.</p>

But in any event Core would argue that BT already has a mechanism in place to deal with AIT under Annex E of the SIA, and has indeed used it to try and prevent genuine services operating by claiming the traffic is in "poor commercial faith." At no stage has BT been able to substantiate this claim to the required contractual "Strong and convincing" standard of proof. Despite requests to do so. Any cases BT claims to have won in regard to AIT are cases which have timed out under the contractual timescale. Not because any one operator has admitted the services represents AIT. The simple fact is that BT and other operators are simply ignoring or refusing requests from operators to go to arbitration leaving TNO's only lone option, that of expensive legal action which far out ways the revenue recuperated for the traffic generated. This behaviour is consistent across the board for all AIT cases and leaves the TNO's in an untenable position. This point was made to OFCOM in 2009 by a number of operators and OFCOM placed BT on notice as to what was expected. Core believes BT and others originating networks are constantly failing in these obligations.

It is Core's view that having failed to properly enforce its claims of AIT BT, are faced with the potential of a concerted legal approach by operators, and is now seeking to use OFCOM to bar the services on unsupported grounds to try and head off this action.

Neither BT or any other operator is obligated to include 087, 084 ranges in their calling packages. They have done so based on their own commercial decision as a profit-making exercise. When calculating the cost of these consumer contracts BT must have factored in the volume of calls that consumers can make which would allow BT to still make a profit. These call inclusive package contracts are typically higher priced than contracts that do not include calls which clearly supports this view. In addition, BT and others also have a fair usage policy in place with consumers which it can implement should it feel any individual is breaching this policy. The fact that BT is finding it difficult to enforce is again a reflection on their poor commercial reasoning.

But in any event large numbers of consumers who are on these contracts do not use the volume of calls to substantiate being on this type of contract from month to month. BT does not offer refunds for unused minutes to these customers or roll over of unused minutes to future months. Neither do

they offer to move consumers to other more suitable contracts at a lower price if a consumer underuses their calling packages. This, Core would argue means that calls for cash offers a real benefit to legitimate consumers allowing them to benefit from unused minutes and be rewarded. Whether that be through access to cheaper or even free international calls or the ability to recover cash / vouchers.

It could also be argued that any PRS service that rewards consumers for calling their service would fall foul of OFCOMS intervention, as OFCOM could be setting a precedent in that regard. Calls for cash is simple in the way it works, it offers callers a reward for calling their number in the form of a cash reward of vouchers or cheaper international calls. While it encourages callers on packages to use so called "free package minutes." The reward is funded from the call revenue generated by the consumer to the 087, 084 number concerned. By barring this type of offering OFCOM is effectively saying, you cannot use revenue generated to reward consumers as this is not a legitimate use of the network. Core would argue that all competition services whether they be on 09, 087 or 084 ranges use the revenue generated to fund the prizes given, whether that is cash, holidays or any other reward. There is essentially no difference in the calls for cash service to any other competition service it offers the consumer a reward for ringing the service. The main factor here is BT made a commercial decision to include 087, 084 ranges in their packages and having realised their mistake is now trying to pressurise OFCOM into barring the service to cover their own commercial short coming. BT does not include 09 in its packages, presumably because it calculated that it would not be profitable and potentially harmful to them if they did so.

Contrary to BT's view these calls for cash services are not exclusive to those with packaged free call minutes. Any consumer can call and receive cash back. It is simply the case that consumers generally choose not to use these services because the access charge raised by their network make this untenable.

The fact is that by including these ranges in their packages means they are foregoing the access charge and it is this that BT has realised is where they have dropped the ball from a commercial perspective and are now claiming AIT and consumer harm. In reality BT has no evidence of



this and is simply looking to save face and protect its profitability.

Once these ranges had been included in bundles it was commercially impossible to withdraw the package. The truth is that BT don't want to be seen to be limiting consumers use of their bundles and admitting it got it wrong.

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