

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</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</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>[X] has the following comments and observations regarding OFCOMS Consultation into 087, 084 and separately calls for cash.</p> <p>Firstly, it should be highlighted that BT and other networks are not obliged to include 087, 084 ranges in calling packages. It is therefore their own commercial decision to include these number ranges.</p> <p>Claims that so called calls for cash traffic encourages AIT have never been proven or supported. Evidence points towards genuine callers using the calls for cash services as a way of using their “Free inclusive minutes” as advertised by all the originating operators who include 087 ranges in their bundles. And a way of recouping some of the additional contractual charges ONO’s place on these call inclusive contracts. For example, some calls for cash services offer cheaper or even free calls to overseas countries via their 087 ranges to those callers who have 087 calls included in their call bundle packages. In some cases, consumers are rewarded with cash back or vouchers for using these services.</p>

The claim by BT that they are being financially harmed by services such as this and that those costs are being passed on to the consumer are anecdotal and unsupported. The contracts themselves that consumers sign up to, which include bundled calls are typically priced higher than other non-inclusive call contracts. BT, EE and other Networks commercial teams must have factored in a volume of calls that can be made by consumers on these packages for the contracted price? If not, then that is an issue for BT, EE and those originating networks, not the Terminating networks or their Clients.

In addition, BT, EE and other networks already have a mechanism in place via Annex E of the SIA to raise a claim of AIT, should they believe they have evidence to support such cases. However typically claims that calls for cash traffic encourages AIT have never been proven or supported with "Strong and Convincing" evidence as set out in Annex E of the SIA. OFCOM adjudicated on Annex E in 2009 and specifically required the ONO's to extend their arguments beyond that of a mere suspicion of AIT to that of "Strong and Convincing" and to such a degree that it would be accepted by a court or arbitrator. To date this evidence has not been produced by BT and other Networks to the level specified. It could therefore be argued that due to this BT is now trying to use OFCOM to cover their short comings on this matter.

BT & other Networks must have factored in and accept that some consumers are not using those contracted inclusive minutes despite paying a higher contract price for them. BT and other networks do not offer refunds for unused minutes to consumers, nor does BT or other operators offer to roll over minutes to future months. However, this is deemed as good practice with DATA allowances where Mobile Operators regularly roll over unused DATA allowances or allow unused DATA to be used by other family members. Whereas with call bundles the ONO's seem to think it is acceptable to simply keep ALL the revenue generated through these contracts by consumers who do not use up any or some of their contracted minutes.

In addition, BT, EE and other ONO's also fail to suggest to consumers who do not use any or some of their call allowance from month to month that they may be better off moving to less expensive contracts which might better suit the consumer's needs. It could be argued that BT, EE and Other Originating Networks are actually benefiting financially by not highlighting to consumers that they would be better suited to different lower priced contracts or rolling over unused call minutes for those that are not making the volume of calls BT and Others must have calculated.

Therefore, Consumers may well argue that any type of service which offers them an avenue by which they can use up their unused contracted minutes plays a vital role in aiding them. Whether that be cheaper international calls, calls for cash, competitions with chances to win prizes or any other add on service. This must offset any claim made by BT and others that calls for cash services cause monetary harm which are passed on to consumers.


All ONO's have included in their bundles a fair usage policy and are at liberty to enforce that policy if they believe any customers are abusing their call packages. The fact that Originating Networks such as BT may struggle for whatever reason to do that is not sufficient to make claims of AIT and try to bring about the barring of services, expecting the Terminating Networks to take the perceived financial hit on their behalf and block genuine innovation in the Telecoms Market which benefit consumers.

It must also be recognised that any attempt to ban a PRS service on the grounds that originating network believes it is harming their profitability and therefore it must be harming consumers, and is therefore in poor faith, is baseless scaremongering. Allowing such thinking to succeed could have a huge impact on the PRS market as a whole and OFCOMS ability to properly oversee competition in the market place going forward. This consultation could have a far-reaching impact on the entire futures of the PRS industry by allowing BT, EE and other Major industry players unsupported views to manipulate the market place in future.

Essentially any calls for cash service are set up to reward the consumer for using their inclusive call minutes to ring the service providers 087 or 084 number. The Service provider is simply using some of the revenue generated to offer a reward to the consumer. Competition services operated on PRS numbers effectively do exactly the same thing. For example, callers are encouraged to ring a PRS number answer a question, solve a puzzle or having heard the same artists song on the radio three times, to win a prize, whether that be a cash, a Holiday, or a voucher etc. Those prizes are either in full or at least in part funded by the revenue generated from the calls to the PRS numbers. If calls for cash services are banned simply because BT and others do not like them because they allegedly impinge on BT's ability to generate higher profit and thereby claims of AIT. Then effectively any PRS service that rewards the consumer using revenue generated from the calls would fall into that same category. The fact that BT and other networks choose to include 087 ranges and not 09 in their calling packages is their responsibility. By not including 09 in their packages demonstrates clearly that BT understands the risk involved and the consequences in doing so. Therefore, BT must also have considered and understood the same risk when including 087, 084 numbers and decided it was and is commercially / financially viable to do so. Any argument BT has therefore in claiming financial and consumer harm we would argue is false based on the above. But in any event would be entirely of their own making.

Finally, OFCOM has previously stated that it believes the Micro payments industry is the way forward for competition in the UK telecoms market place. Stating:

“NTS calls provide a micro-payment mechanism for a wide variety of value-added services, as well as a means of access. With the exception of freephone calls, a significant proportion of NTS retail call revenues is passed on to the SP receiving the call over a quarter on average for [0845/0844](#) calls, over a half

	<p>for 0870/0871 calls and around three-quarters for premium rate calls made from fixed lines.”</p>
	<p>As 0870 plays a vital role in micro payments, any changes OFCOM chooses to enforce in regard to out payments on 0870 could have a catastrophic impact on the Telecommunications industry and Micro payments. [X] would therefore urge OFCOM to consider the real reason why BT and other larger originating networks such as EE may wish to see this barring of certain 0870 services by OFCOM and the change to out payments. It has nothing to do with AIT and consumer harm and more to do with blocking innovation & Micro payments simply to boost their own profits.</p>
	<p>The decline in the 087, 084 market place is down to just one specific fact and that is the high access charges raised by the networks. A good example is a service charge of 1ppm has an access charge of 70ppm. This cannot be helpful or healthy in creating competition and promoting innovation of new services.</p>

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