



Mobile Broadband Group
PO Box 34586, London SE15 5YA

29 September 2006

Mr Paul Whiteing
Deputy Director
ICSTIS
4 Maguire Street
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Dear Paul,

Response of the Mobile Broadband Group to ICSTIS's pre-consultation on 0871

The Mobile Broadband Group (MBG) welcomes the opportunity to respond to ICSTIS's pre-consultation on the future regulation of services delivered through 0871 numbers. We look forward to commenting in detail on your consultation in due course. In the meantime, the MBG, in this response, addresses only the major points of principle that should guide ICSTIS as it prepares to take on this new area of work.

We strongly support your stated intention that regulation of 0871 by ICSTIS should be *"proportionate to the consumer harm or detriment that can and does arise"* and that ICSTIS should *"display consistency of approach between the regulation of these numbers and that of 09 numbers and mobile premium rate services, while accepting that 0871 services are generally cheaper than conventional 09 services"*. ICSTIS will have to give some thought as to whether there are any substantive differences between the two types of service other than price. How would ICSTIS respond if pricing started to converge?

We also support ICSTIS's preliminary view that it would be preferable to establish the regulation of 0871 within the same structure of governance as is in place for 09 premium rate services. Within this structure it would be possible, even desirable, to set up separate sub-brands for traditional premium rate services and 0871. This could extend to having a sub-set of the ICSTIS Code that addressed just 0871 services, always providing the principle of consistency with the regulation of other services such as DQ and 09 numbers is not compromised.

With respect to the funding of regulation, we have long proposed that the costs should be allocated, as far as possible, following the principle of 'polluter pays'. The addition of this new work will give ICSTIS an excellent opportunity to re-evaluate how

the costs are shared between the various sectors – Fixed and mobile premium rate, DQ and 0871. No sector wants to be in the position of subsidising the regulation of the other. Industry would also like assurance that transitional and establishment costs will be dealt with in an equitable and transparent manner.

We look forward to participating in the more detailed consultations in due course. In the meantime, the MBG will be happy to discuss more fully any views expressed in this letter.

Yours sincerely,

Hamish MacLeod

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Mobile Broadband Group