

1 PhonepayPlus will be developing a new Three-Year Strategic Plan in 2010. Do you think our purpose and role as set out in section one of the consultation still describes the priorities for regulation in the phone-paid services sector? If not, how do you think this should develop?

Your purpose and role as set out in section one of the Consultation is nonsensical: "Our vision is that anyone can use phone-paid services with absolute confidence." If you mean something like: "Our vision is that anyone ought to be able to use phone-paid services with absolute confidence", you should say this. If, on the other hand, you really believe that "anyone CAN use phone-paid services with absolute confidence", then how can you have a vision about this? Perhaps you mean "hallucination" rather than "vision"?

2 What information or evidence do you have about market trends and about the overall size of the phone-paid services market in 2009/10?

I have no additional information or evidence about market trends and about the overall size of the phone-paid services market in 2009/10 but all the existing evidence suggests that this market will continue to decline.

3 What information or evidence do you have about any specific segments or content areas and their potential for real growth or decline over 2009/10?

I have no additional information or evidence about any specific segments or content areas and their potential for real growth or decline over 2009/10 but all the existing evidence suggests that most areas will continue to decline.

4 How do you see the phone-paid services market developing in 2010/11?

With respect to most of the "services" currently on offer, I sincerely hope that the phone-paid services market continues to decline in 2010/11. With respect to genuinely useful phone-paid services (such as use of the mobile as an electronic wallet) there is great potential for growth in 2010, but I strongly suspect that this area will remain moribund as a direct result of PRS regulatory failures over the last ten years and the consequent dominance of this sector by companies in which PRS literate consumers can have precious little trust.

5 What comments do you have on the priorities for 2010/11? Are there other projects or issues that you think PhonepayPlus should consider for the coming year?

What PhonepayPlus SHOULD consider for the coming year are:

- 1) Mandating a robust and verifiable opt in system for ALL reverse charge SMS "services" whether one-off or "subscription" and regardless of price.
- 2) Forcing all networks to allow mobile users (and especially their children) to opt out of ALL PRS "services" before they start.
- 3) Forcing all networks to identify all PRS items on bills and PAYG records with the relevant short-code or 09 number rather than a network specific code number and to

provide online look up facilities for every single PRS number used by the SPs those network providers elect to do business with.

- 4) Cooperating with the authorities to bring criminal prosecutions where acts of theft and fraud (cf mis-selling) are discovered.

I realize that PhonepayPlus has absolutely no intention of considering any of these essential measures or even discussing why it refuses to consider them, but I shall continue to suggest these measures as long as you continue to hold consultations and fraud and theft continue on a massive scale within this industry.

6 Do you agree that PhonepayPlus should increase consumers' PRS literacy, in so far as it builds an appropriate level of trust in the market?

It is very difficult to imagine how PhonepayPlus might increase consumer PRS literacy without thereby reducing trust in the market. There again, it would be perfectly "appropriate" to reduce trust in PRS to reflect the true extent of theft and fraud perpetrated by this "industry".

7 How should PRS literacy work be funded, through the industry levy or through a new fine sanction imposed for breaching the PhonepayPlus Code of Practice?

No opinion.

8 What is an appropriate initial level of funding for our PRS literacy programme?

No opinion.

9 What areas should PhonepayPlus focus its core research programme in the coming year? Do you have knowledge of any industry research initiatives in these areas?

PhonePayPlus should carry out a thoroughgoing research programme into the abject failures to regulate, anticipate, and be alert to, problems as they emerged in areas such as diallers, "free" ringtones, unsolicited reverse charge SMS, TV based PRS "competition" fraud, "missed call" marketing etc during the last decade.

Lessons learned from this research should be applied to ensure that the PRS industry of the future is structured to prevent theft and fraud occurring in the first place rather than structured to pay PP+ fines (AKA "occupational hazards") while continuing regardless with thefts and frauds - sometimes on an almost monthly basis over several years.

10 Do you support our proposed budget changes for 2010/11 having regard to the activity and strategy that drives the changes? If not, please explain why.

Until PhonepayPlus addresses the core problems with PRS (something that PhonepayPlus appears to have no intention of doing -with the possible exception of content provider registration which would appear to be a step in the right direction) I expect that the 2010/11 budget will be just as ineffective when it comes to protecting the public as all previous budgets have been.

11 Do you have any comments as any other risks that PhonepayPlus might face that are not identified above as part of the business plan design?

The chief risk is that PhonepayPlus will continue to perceive its role as that of striking a "balance" (as Sir Alistair puts it in the introductory section of your Consultation) between consumer protection and industry interests. In reality, adequate consumer protection and the establishment / expansion of an honest PRS industry go hand in hand.

Michael Ward