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Dear Mark,

Dialogue Communications agree that in the large part they support AIME's submission to the PhonepayPlus Consultation 'Guidance to support the proposed new Code of Practice'.

Dialogue wants to take this opportunity to add the following comments in response:

General Guidance

Definitions of those involved in the providing PRS

Dialogue support PPP in that; although the contractual relationships are complicated as stated by AIME in their submission and that the Merchant does not always control or manage the operation of the services it takes to market, that it should not be the responsibility of the regulator to determine the blame beyond that of the Level 2 provider. There needs to be a point at which in the value chain, the industry take accountability. We believe that PPP are acting reasonably in proportioning blame across level 1 and level 2 and to go beyond this would be an unreasonable expectation on the PPP executive.

Due diligence and risk assessment and control of clients

We would bring to the attention of PPP a need by industry to understand policy on self reporting and or whistle-blowing.

This links into a need to understand what actions PPP would expect the level 1 and level 2 providers to take in order that they understand they are achieving the required standards which PPP agree meet a proactive response to potential breaches.

Promotions and promotional material

I would like to reaffirm AIME's statement in regard to the negative duality of regulation from Networks and from Regulator. This especially relates to O2 and adult services. It can be a minefield for services who try to adhere to one and then find themselves in breach of the other. It also causes some disengagement where merchants potentially lose confidence in the regulatory process.

Method of Exit

Dialogue wishes to reaffirm AIME's statement in regard to the use of the STOP request. It believes that the "STOP" mechanism is an effective one and where this information is displayed properly there should be no reason why a consumer should not be able to exit a service using this method. To include a responsibility on merchants to be able to infer that a consumer wishes to leave a service through the texts sent by that consumer is generally not workable and open to misinterpretation.

Complaint Handling

Dialogue support the guidance, that complaint handling should be handled by the Level 2 providers. There has been discussion between the stakeholders and the MNOs to improve complaint handling across the industry. It is currently being mooted that in some instances the complaint handling should arguably be taken in-house and handled by the level 1 providers. This may be especially pertinent for Payforlt services.

Undue Delay

Dialogue thinks it is also important to distinguish undue delay in receipt of goods where the delay requires continued action by the consumer to complete the delivery of goods. This is especially the case in the use of scratch cards where a consumer can wait up to 3 months but if that consumer misses a single deadline set by the merchant to send in details then they forfeit the opportunity to claim. Undue and onerous processes to claim a prize should be singled out and provisions set in place to protect the consumer.

Privacy and Consent to charge

I agree with AIME's suggestion that there should be a differentiation between marketing messages and charged service messages. The right to send marketing messages is covered by the PECR rules but where a consumer is sent unsolicited charged messages these need to be addressed separately with proportionate levels of validation.

Clarification on acceptable double opt in is required. In 4.9 and 4.10 it states that the pin could be delivered to the handset. The guidance is not then explicit in regard to what the consumer is expected to do with that pin number i.e. do they enter it into the internet site? If so Dialogue does not believe that this is a robust or auditable double opt in procedure. We believe it is more effective to receive the pin via the website and then send the MO with the pin attached.

Yours Sincerely,



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