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14 May 2010

## **PhonepayPlus Registration Scheme for Premium Rate Services An Interim Update**

### **AIME Response**

#### **About AIME ( [www.aimelink.org](http://www.aimelink.org) )**

AIME is a UK based not for profit trade association that promotes excellence in the Interactive Media and Entertainment industry.

We uphold our Code of Ethics and Core Values to create an environment of consumer trust and industry confidence within which our members' commerce can grow. We are committed to furthering the interests of Interactive Media and Entertainment through the regular exchange of information and communication throughout the value chain, effective engagement with regulators and legislators and the presentation of a successful industry image to media.

We are the only UK trade association with membership across all elements of the interactive media and entertainment value chain which is generally, though not exclusively, supported by Premium Rate Service (PRS) billing facilities and our membership represents in excess of 90% of annual industry revenues, which stood at £0.80bn in 2009 within the UK and which, we believe, has the potential to increase to £1.5bn - £2.0bn per annum over the next three years assuming we have a healthy balance of self and formal regulation and that industry is successful in continuing to build consumer trust.

AIME encourages its members to focus particularly on consumer care and to recognise that if there is to be sustainable growth in our industry then one area where there must be more investment is in consumer contact and support as a part of building trust, whether it be dealing with enquiries or complaints. Recent research suggests that, despite their inherent popularity, there is still a significant portion of the UK population that is reluctant to use premium rate services due to trust issues in the main and it is important that we work towards improving this situation and encourage more consumers to use premium rate services on a regular basis.

We welcome the opportunity to respond constructively to this interim paper which outlines the status of the Registration Scheme and poses the question as to whether or not PhonepayPlus (Pp+) should continue with its implementation in its current form to meet the timing details described in the document, given that it is recognised to be an integral part of the 12<sup>th</sup> Code review.

AIME promotes and abides by the philosophy that consumers who are accurately and openly informed of the nature, content and cost of participation in an interactive service experience are perfectly placed to exercise their freedom of choice and thereby enjoy the most effective form of consumer protection.

## **Comments**

AIME has a long association with proposals for both a Registration Scheme and a principles based Code of Practice for PRS and continues to co-operate closely with PhonepayPlus on both projects which are now inextricably linked to the current 12<sup>th</sup> Code review.

The paper provides a useful summary of progress thus far on the Registration Scheme but we are aware that industry still harbours concerns in some areas and these have been addressed at industry/Pp+ working meetings. Examples of such concerns are the absence of an industry supported development panel to represent current and future industry needs and the requirement for industry to have sight of and comment on the system specification before it is issued for tender.

Specifically, our concerns can be summarised as follows:

1. We believe there is a lack of transparency regarding the procurement process. We cannot be asked to endorse the commitment of industry funds until we have examined and understand the final specification and have the opportunity to take a view as to its suitability for current and future needs.
2. Our collective industry experience suggests there would be benefit in inviting tenders for a managed service package as opposed to Pp+ attempting to deploy and manage the scheme in-house. We also believe there should be emphasis placed on the use of off the shelf packages to avoid the traditional and inevitable cost escalations associated with bespoke designs.
3. We would like to see a Pp+ commitment to informal consultation with industry, having performed a cost benefit analysis, if the preferred scheme is not the lowest cost option. AIME is also aware from earlier research that the opportunity exists for vendors to share development risks and costs in return for guaranteed contract periods regarding managed service packages.
4. In the, accepted unlikely, event that the 12<sup>th</sup> Code proposals are rejected we would appreciate an understanding from Pp+ that the specification documents would be made available to industry to permit us to revisit AIME plans for a voluntary registration scheme.

With these caveats in place AIME supports the Pp+ proposal to continue with implementation of the scheme to meet timing requirements up to the point of receiving pricing proposals against an agreed specification which should then be considered by the joint industry/ Pp+ working party.

### **Statement of Representation**

AIME confirms that this response has been compiled following a process of discussion of the relevant documentation by representative AIME members. A list of AIME members can be found at <http://www.aimelink.org/home/members.aspx>.

The views expressed in this response are a fair reflection of the views held by the consulting AIME membership. Individual members are actively encouraged to submit their own independent views as they deem fit and at their sole discretion.

### **Close**

We assure you that, as ever, our comments are made constructively and with the intent of achieving an effective, fair and proportionate regulatory regime for Premium Interactive Media and Entertainment services in the UK.

If any clarification to our response is required or if we can be of any further assistance please contact Zoe Patterson at 08445 828 828 or [zoe@aimelink.org](mailto:zoe@aimelink.org) .

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