

ImpulsePay
344-354 Grays Inn Road,
London,
WC1X 8BP
20th May 2010

Dear Simon,

I'd like to take this opportunity to respond with my concerns regarding the proposed registration scheme for premium rate services. Whilst I'm keen to advocate the excellent work PhonepayPlus undertakes, I have reservations about the role and responsibilities of level one providers.

The danger, in my opinion, is a level one provider neglecting their responsibilities to control and audit the traffic of content providers, for which they elected to enter a commercial arrangement with. Implementing the proposed scheme, as stands, would mitigate all risk of fines and penalties for a level one provider.

Whilst pre-registration would create an independent database to identify content providers, it would not prevent badly constructed or misleading campaigns harming consumers. By ensuring a level one providers' gateway acts diligently, through a risk of fines or penalties, it maintains a business case to develop procedures to safeguard consumers.

I would like to query which technologies pre-registration applies to. I suggest only payment processes for which a content provider is responsible for displaying pricing is covered. This would include premium SMS & phone lines, but exclude Payforit, app stores and operator billing, as a trusted party is displaying pricing terms for them.

Additionally, to support future entrepreneurs of premium services, I suggest registration and fees are split into progressive bands. Companies should be allowed to pilot new ideas and concepts for free, then register once a reasonable threshold is reached.

When they do register, they should not be penalized with upfront costs. I believe an increase to the levy should be used to fund this database. If businesses are forced to pay even a small fee, many will skip mobile payment technologies and move to other payment mechanics, some of which are becoming increasingly competitive.

I accept the wide support for pre-registration from the existing industry representatives places me in the minority, but I feel we must address these points for the greater need of consumers and the future business users, upon which we are all reliant.

Yours Sincerely,

Chris

Chris Newell
CEO
ImpulsePay.com