



The Mobile Broadband Group

www.mobilebroadbandgroup.com

27th January 2012

Alex Littlemore
Senior Strategy Executive
PhonepayPlus
Clove Building
4 Maguire Street
London SE1 2NQ

Dear Alex,

Call for input on the possible extension of PhonepayPlus regulation to more revenue sharing ranges

Thank you for giving the Mobile Broadband Group ('MBG') the opportunity to respond to PhonepayPlus' Call for input in relation to the possible extension of remit to more revenue sharing ranges.

On balance, the MBG has difficulty in committing its support at this early stage to the extension of remit, although we do acknowledge that PhonepayPlus has done a good job incorporating the regulation of 0871 into its portfolio. Our reasons for not committing support at this stage are as follows:

a) Lack of clarity

It is not yet clear either from Ofcom's consultation on simplifying non-geographic numbers, or the PhonepayPlus call for input, exactly what the scope of the extension of remit might be and how it would apply in practice. Paragraph 1.4/1.5 of PhonepayPlus' call for input states: *'...it was not clear how such an obligation could currently be imposed on any other numbers which could potentially become unbundled (0843/44 but also potentially 0845 and 0870). To this end, Ofcom raised the possibility of extending PhonepayPlus' remit to these numbers.'*

As the MBG understands it, not all 0845 and 0870 services have revenue-sharing arrangements and as such wouldn't fall within the legal definition of a premium rate service (PRS). The MBG has always maintained the position that PhonepayPlus should not be regulating the promotion and content of services unless they are captured by the section 120 definition.

Until Ofcom is clear about its proposals, it is premature for the MBG to commit its support.

b) Brand dilution

Over the last few years, PhonepayPlus has worked hard to clarify its remit and has succeeded in re-establishing itself as a credible regulator of PRS. It has also had considerable success in working closely with industry, reducing complaints and taking on the worst elements in the premium rate industry. We are concerned that adding 0843 and 0844 number ranges may confuse industry and customers about its exact remit.

The MBG is aware that such number ranges are associated with a considerable amount of unsolicited calling (payment protection insurance claims etc.) but tackling such misuse is the role of the Information Commissioner not Ofcom, let alone PhonepayPlus.

We would be concerned that PhonepayPlus' clear role and reputation for tackling misuses of PRS would be diluted and that resources would be diverted away from the more concerning issues that exist in the PRS market today. We also believe that, in practice, it is going to be extremely difficult for PhonepayPlus to identify exactly which services within the 08 ranges actually have revenue-share arrangements in place, maintain that 'list' of numbers and enforce the principles of the code.

We note that Ofcom's proposals in this regard are subject to further consultation and we look forward to engaging further in this debate as the proposals become clearer.

Yours sincerely,

Hamish MacLeod

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Chair, Mobile Broadband Group