

PRESS RELEASE



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For immediate release Tuesday 15 May 2007

ICSTIS CONSULTS ON A LICENSING SCHEME FOR PREMIUM RATE SERVICES USED IN TV AND RADIO PROGRAMMES

ICSTIS, the premium rate services regulator, has today issued a consultation on a new licensing scheme for premium rate services, such as voting and competitions, when promoted in TV and radio programmes. The licensing scheme was proposed at an ICSTIS industry summit on 8 March as one potential way of restoring consumer trust and confidence in premium rate services used in broadcasting.

In delivering the consultation, ICSTIS has worked closely with Ofcom which has begun its own inquiry, led by Richard Ayre. Paul Whiteing, ICSTIS' Director of Policy & Innovation, said: "We believe that our consultation will contribute greatly to Ofcom's own considerations. We expect that the responses we receive will shape our combined response to the compliance challenges that we have each faced over the last few weeks. We will not take any final decisions until the outcomes of the Ofcom inquiry are made known over the summer. If there is support for our proposals, we will implement them swiftly."

The requirements being proposed as part of the licensing scheme include 20 new conditions that providers would need to adhere to in order to be licensed by ICSTIS. Included in the proposals is a new condition that would give ICSTIS the right to carry out inspections at the provider's premises and have access to all necessary records to assist with any on-site inspection.

The full consultation, which runs until Tuesday 12 June 2007, can be accessed on the ICSTIS website at www.icstis.org.uk/news/consultation_papers/2007CondocOpen.asp. For more general information about ICSTIS and its work, please see www.icstis.org.uk.

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NOTES

- ICSTIS is the industry-funded regulatory body for all premium rate charged telecommunications services.
- ICSTIS regulates the content, promotion and overall operation of services through its Code of Practice. It investigates complaints, and has the power to fine companies and bar access to services if the Code is breached. It can also bar the individual(s) behind a company from running any other premium rate services under any company name on any telephone network for a defined period.
- Services are advertised on either 09 dialling codes or, in the case of mobile services, on four or five digit short codes followed by a descriptive key word (for example, 87654 ICSTIS). In some instances, such as interactive TV where viewers make 'calls' using their remote TV controls, the premium rate number may not be shown. In addition, ICSTIS regulates all '118' directory enquiry services.
- Services offer information and entertainment via phone, fax, PC (e-mail, Internet, bulletin board), mobile (SMS/MMS/WAP) or interactive digital TV, and currently vary in cost from 10 pence per call to £1.50 per minute (plus any network surcharges). The money paid by users for services is shared between the telephone company carrying the service and the organisation providing the content. Approximately 45,000 services are in operation at any one time, generating revenue thought to be in excess of £1.2 billion in 2006/7.