



Commission for
Communications Regulation

Submissions to Consultation

Directory Enquiry price transparency for call completion consultation

Submissions received from respondents

Document No:	04/87a
Date:	12th August 2004

Contents

1 ALTO (Alternative operators in the Communications market) 2

2 Conduit..... 3

3 Mr. Paul Cunnane 11

4 Eircom 11

5 Silvertel 17

6 Mr. Peter Weigl 18

1 ALTO (Alternative operators in the Communications market)

30 June 2004

Consultation on Tariff Information on Directory Enquiry Services – (04/58)

Dear Sir or Madam,

We welcome this consultation from ComReg and include here a number of general comments on the proposals made.

ComReg proposes that DQ operators would be required to communicate additional tariff information to consumers. It is our view that much of the data suggested by ComReg is already made available by DQ operators and ComReg in a variety of ways. The additional value in this proposal is not clear. Regulatory intervention should only take place where an important consumer need is not being addressed.

To implement this proposal in the manner set out by ComReg would be very complex. It is general practice in the industry to state the price which applies from eircom's network and to add that "prices from other networks may vary". To establish separate information for each DQ provider and each network operator would be extremely complex and would be likely to confuse the customer.

ComReg further proposes that operators be required to inform customers of the cost of call completion at the time of offering to complete a call. We believe that this proposal would have the effect of increasing call duration and hence cost, and of dissuading consumers from using DQ services, thereby reducing choice and competition in the market.

An additional point is worth noting. ComReg's approach to DQ could easily extend to other services. For example, callers to premium rate services or those calling mobiles are not given information on the call price during the call itself. We believe that this principle should not be established for any service. If ComReg is intent on going ahead with this proposal it should first of all carry out a more general consultation process on the advisability of price announcements for all call types.

ComReg bases its proposals on the results of a survey. We are not aware of where ComReg has provided full details of the survey. We would request that ComReg publish full details of this survey.

We urge ComReg to delay implementation of the proposals outlined in the consultation in order to allow adequate time to consider the points made in this response and others.

Yours faithfully

Iarla Flynn
Chairman

2 Conduit

Submission by Conduit Ltd. to ComReg re [Consultation Paper No. 04/58 – “Access to Tariff Information on Directory Enquiry Services”](#)

1. Background:

ComReg has issued Consultation Paper No. 04/58 (02-Jun-04) on “Access to Tariff Information on Directory Enquiry Services”.

In the Consultation Paper (p.5) ComReg seeks “views from interested parties on The principle that directory enquiry service providers should make consumers aware of the cost of using their services

The proposed measures [as per Appendix A – Draft Decision] to ensure that consumers are provided with access to this information when using both the basic directory enquiry service and additional call completion/call connection services”.

2. General Remarks:

Conduit, as the largest independent Directory Enquiry service provider in Ireland, is fully supportive of ComReg’s aim, as expressed in this Consultation Paper, of ensuring that the consumer is provided with the necessary information about the cost of directory enquiry (DQ) services. We therefore approve of the proposed measures outlined in Sections 1. and 2. of the Draft Decision (Appendix A) relating to advertising and promotion of DQ services.

When advertising and promoting our services Conduit already takes every opportunity to inform our customers of the cost of calling our numbers - particularly 11850, our national directory enquiry number. We do this via a number of channels:

in all printed marketing and advertising collateral (outdoor media, newspapers, leaflets etc.)

on our web-site (<http://www.11850.ie/about11850a.jsp>);

via the 11850 Freefone customer care phone number (1800 923433) and e-mail address (customercare@11850.ie).

In addition, ComReg already produces ample information on its own web-site regarding DQ services and charging mechanisms, including call completion charges.

See: Consumer Guide To Directory Enquiries Services, located at

<http://www.comreg.ie/fileupload/publications/ComRegCG04.pdf>, and the Common Questions on Fixed Line Services (“Can I choose different providers for Directory Enquiry Services”) at <http://www.comreg.ie/consumer/default.asp?S=3&NavID=34&ctype=3&NID=10003>

We agree with ComReg that all printed and visual advertising materials should be accompanied by clear pricing information, as is already the case with Premium Rate numbers (e.g. 1550) as regulated by RegTel in its Code of Practice, especially Section 7 “Pricing Information” http://www.regtel.ie/code_7.htm).

However, Conduit believes that the proposed measures relating to call completion outlined in Section 3 of the Draft Decision (Appendix A) would not be practical to implement or enforce, and for this reason we do not recommend that they be

adopted. As we show in our submission below, the proposal to introduce pricing information relating to call completion of directory enquiry calls, in the manner proposed by ComReg, raises many complex logistical and market-related issues, which are not addressed in the proposed measures, and which have major implications for all types of calls – not only calls to directory enquiries.

We believe that the proposed measures:

would be onerous or impossible to implement for Directory Enquiry (DQ) Service providers and for telecommunications service providers,

are in any case not warranted from a consumer-protection perspective, in that any information provided can not be guaranteed to be correct with respect to the particular directory enquiry call, as these calls originate on a variety of networks – each with its own individual pricing.

require further consultation and modification before they can be adopted, and in any case cannot be implemented in the timeframe suggested by ComReg without causing confusion in the marketplace.

Moreover we believe that the proposed measures, if implemented, would have the effect of bolstering the positions of existing dominant players in the market for fixed and mobile telecommunications services.

We outline our reasons in the sections below.

3. Conduit Specific Comments on Draft Decision

Conduit has structured our response to this Consultation Paper as a commentary on the proposed measures in ComReg's Draft Decision (i.e. points 1-3 in Appendix A, page 6, are addressed in order below).

3.1 ComReg proposes (point 1): "When advertising or promoting its service a directory enquiry service provider shall:

indicate the applicable charges, or alternatively indicate where such information may be obtained. The cost of obtaining such information should not exceed the cost of a local telephone call

publicise their separate customer service number and their website address"

Conduit's response (re point 1):

Conduit is supportive of this proposed measure. We accept that pricing information should be required as part of all advertising and promotional materials, in line with the requirements already set out by RegTel in relation to Premium Rate Services.

We draw ComReg's attention, however, to the fundamental fact that the pricing of calls to DQ services will differ according to the network from which that call is made, as – with the exception of calls from the incumbent (Eircom) network - pricing is established not by the DQ provider, but by the telecommunications operator on whose network the call originates. Accordingly, in any marketing or promotional materials it is necessary to choose a notional "basic price" about which information should be provided. Following the accepted convention adopted to date, we propose the pricing stated should be a "basic price" for one particular call type, i.e the price of a call to the respective directory enquiry operator made by a residential customer from the incumbent (Eircom) fixed network, including VAT.

This same pricing information should be available via lo-call or freephone from the DQ operator's customer care service. In Conduit's case this number is 1800 923433. The requirement to provide pricing information on promotional materials should also apply to sponsorship of television programmes, where the basic rate should be displayed in text format on the screen at some point during the promotion.

Conduit is supportive of this proposed measure. We accept that it is reasonable to include a separate customer service number on any printed marketing collateral, along with a website address for the service. Conduit agrees to comply with this recommendation.

3.2 ComReg proposes (point 2): “The directory service provider shall make available printed tariff information in response to requests from consumers”.
Conduit’s response (re point 2): Conduit is supportive of this measure. We accept, that where a specific customer requests that information on our rates be provided in a printed format – as opposed to electronic format (via on our web-site), or by means of the spoken word (via a customer service representative) – then that information should be made available and sent to them. We will make best efforts to send responses to such requests for information via regular mail within 1 business day of receiving the request in writing (fax or regular mail). Where the request comes via e-mail, or an e-mail address is supplied by the customer, we propose to send a pdf version of our pricing document to the customer at the e-mail address given.

3.3 ComReg proposes (point 3): “When offering call completion or call connection the directory service provider shall inform the consumer of the specific cost of that service before the consumer is asked to decide whether to avail of the service: The information shall be presented as a per-minute cost for connecting the call along with any fixed charge.

The time taken to provide such information should be sufficient to impart the information but should not be used to unnecessarily maintain connection to the service at directory enquiry rates”.

Conduit’s response re point 3: Conduit believes that this measure cannot be implemented in the manner proposed, nor is it desirable or necessary to do so, without the serious risk of creating further consumer confusion. In addition, the very act of providing pricing information will have the effect of prolonging the call (by up to 25% in the case of Conduit calls), and thus of increasing the cost, which would have a negative effect on the customer, and hence on the market for directory enquiries services. Most importantly, however, we strongly believe that Comreg’s proposal, if implemented, is manifestly discriminatory in nature, and is almost certain to put Conduit at a serious competitive disadvantage to other market players in the Irish telecommunications market.

A more detailed assessment of the issues which arise in connection with the implementation of ComReg’s proposed measures are set out in Sections 4-10 below. Please note that the contents of Section 7 are commercially-sensitive and Confidential to Conduit and ComReg, and we request that it not be published on the internet or otherwise disclosed to third parties in connection with this Consultation Process or for any other reason expect without our express permission.

4. The Proposed Measures are in conflict with the Department’s Requirement for “Light Regulation”

The Department of Communications, Marine and Natural Resources (DCMN) has required ComReg to adopt a “pro-competition” agenda, and only to intervene in the market when absolutely necessary.

Section 5 of the “Directions by the Minister for Communications Marine and Natural Resources to the Commission for Communications Regulation under s. 13 of the Communications Regulation Act 2002”, as issued by Minister Dermot Ahern on 21st February 2003 and titled “POLICY DIRECTION ON REGULATION ONLY WHERE NECESSARY state that:

“Where the Commission has discretion as to whether to impose regulatory obligations, it shall, before deciding to impose such regulatory obligations on undertakings in the market for electronic communications, examine whether the objectives of such regulatory obligations would be better achieved by forbearance from imposition of such obligations and reliance instead on market forces”.

Conduit believes that – given the complexity of the issues outlined already in our submission, and particularly the issue of price variance across different networks – it would be preferable not to introduce any regulatory measures in the area of call completion of directory enquiry calls.

Moreover in the Consultation Paper ComReg mentions specific research which indicates that “61% of consumers using directory services were not aware of the cost of a directory enquiry call, and 51% of consumers who avail of the option to have their call connected were not aware of the increased cost of using this service”.

Conduit requests ComReg to provide more details of this research (how and when it was conducted, using what sample size etc.), to allow us to assess the magnitude of the problem.

Has ComReg conducted similar research into consumer awareness of the pricing for other telecommunications services (e.g. calls from mobile networks to the fixed network number range; calls to from fixed networks to mobile networks; calls from the fixed network to other fixed network numbers; calls from one mobile network to number ranges within another mobile network)? If not, we recommend that such research be carried out, as in our view regulation would only be required in respect of DQ services where it can be demonstrated that consumer price awareness for this call category significantly lags behind awareness of pricing of other call types.

It is not clear why ComReg has chosen to single out DQ calls for special treatment regarding price announcements. The same principle might equally be extended to all call types. As has been stated above, callers from the fixed network to mobile numbers are generally unaware of how much the call is costing – although the cost is often comparable to the cost of a DQ call. Similarly anecdotal evidence would suggest that roaming mobile users are not aware of how much it costs them to receive or make calls while roaming on other networks. It might be more urgent for ComReg to consider adopting a mechanism whereby – prior to terminating a roaming call – the mobile operator is required to insert a message advising the user of the price of receiving (or making) that call.

In Conduit’s view it would be inappropriate for ComReg to impose any measures regarding price announcements on DQ calls without first instigating a more general Consultation Process on the advisability of price announcements for all call types (to local, national, mobile, short code and all other existing number ranges).

It may be possible to deal with this issue in the same way as RegTel has dealt with Premium Rate services as set out in RegTel in its Code of Practice, especially Section 7 “Pricing Information” http://www.regtel.ie/code_7.htm. For example, callers to 1550-123123 (Weather Line) are given no information of the call price during the call itself, because RegTel has determined that this is not necessary where

sufficient other pricing information exists (e.g. printed information) with regard to that service.

In short, it is not clear from the survey results as presented by ComReg in this Consultation Paper that there is a particular problem in relation to lack awareness of DQ charging with respect to call completion services, as opposed to awareness of the pricing of other call types, and Conduit requests ComReg to provide further evidence of this.

5. ComReg should perform a full regulatory impact Assessment before it imposes measures of the kind proposed

Section 6 of the “Directions by the Minister for Communications Marine and Natural Resources to the Commission for Communications Regulation under s. 13 of the Communications Regulation Act 2002”, as issued by Minister Dermot Ahern on 21st February 2003 and titled “POLICY DIRECTION ON REGULATORY IMPACT ASSESSMENT” state that:

“The Commission, before deciding to impose regulatory obligations on undertakings in the market for electronic communications or for the purposes of the management and use of the radio frequency spectrum or for the purposes of the regulation of the postal sector, shall conduct a Regulatory Impact Assessment in accordance with European and International best practice and otherwise in accordance with measures that may be adopted under the Government’s Better Regulation programme.

In the present case Conduit is not aware that any such regulatory impact assessment has been taken, and we would request that ComReg undertake such a study before proceeding to implement any measures of the type proposed with respect to the announcement of pricing information during the DQ call regarding call completion services.

6. The proposed measures are impossible to implement, given that Conduit has no direct control over end-user pricing (which is established by telecommunications service providers themselves).

A fundamental flaw in Comreg’s proposal is the fact that DQ providers are not in a position to know with any degree of certainty, with respect to the individual call in progress, what rate is being charged to the end-user by the direct provider of that service (namely the telecommunications service provider on whose network the call originates). Hence any pricing information which may be provided in the progress of that call is more likely than not to be misleading or partial. Under these circumstances, we believe it is better not to provide potentially incorrect pricing information as part of the transaction itself (i.e. during the call), but instead to rely on the consumers informing themselves on the price of the call via the tariff information provided by their telecommunications service provider. Conduit has received legal advice to the effect that a regulatory requirement to announce pricing during a directory call in the manner proposed, puts Conduit in an impossible situation, as it could expose the company to complaint or even legal action by consumers should the price charged by the network operator differ from that given by price announcement.

This is a fundamental issue which, in our opinion, cannot be addressed in a satisfactory way so as to enable the introduction of call completion pricing

information in the manner proposed. In our view this issue is more complex than may be widely appreciated, particularly in view of the fact that the majority of calls made to 11850 do not originate on the Eircom network, but which may be presented to us via our Eircom interconnection point. Consequently, the announcement of pricing information relating to Eircom network-originating calls only is more likely to be misleading than not.

Although Conduit is the provider of the DQ service, it has no direct contractual relationship with the customers to whom DQ service is provided. This is because, from the billing and customer-relationship perspective, the telecommunications service provider itself (either fixed [e.g. EsatBT, Eircom, Cinergi, COLT etc.] or mobile [Meteor, O2, Vodafone]) has the direct relationship with the end user. Only the originating network operator knows the price which is being paid by any specific consumer with respect to any specific DQ call.

Thus, it is the telecommunications service provider (and not the DQ service provider) which ultimately determines pricing for DQ services, and must communicate this pricing to its customers. The telecoms operator may vary end-user pricing without consulting with the DQ service provider, so the DQ service provider (e.g. Conduit) cannot bear ultimate responsibility for communicating retail pricing (which varies from one network to another) to a given end-user. Consumers receive information on call pricing from their telecommunications providers (both fixed and mobile) when signing up with those providers, as part of their customer contract. The DQ service provider cannot be expected to know this information, as it is not conveyed by the originated network to the DQ service provider.

With respect to advertising and promotional materials, it is general practice in the industry to state the price which applies from a residential phone on the network of the incumbent fixed operator (including VAT), and to add that “prices from other networks may vary”. However, it is not recommended to adopt this approach with respect to the “in-call” announcement of pricing information for call completion services, as this price will apply to less than 50% of the calls received (and the DQ operator has no way of knowing for certain which 50%). This is because, in the case of calls to 11850, less than 50% of DQ calls originate on the Eircom network. Finally, we believe the use of an in-call pricing announcement which states that the information relates to calls “from the Eircom network” in itself may be misleading, as consumers using the Eircom network, but who have chosen a carrier- pre-select provider, will not necessarily be aware that Eircom network charges may or may not apply to their DQ call. In addition, use of this phrase may be seen to be somehow preferring Eircom’s telecommunications service, as we are offering price certainty around calls from Eircom customers, with the potential implication that non-Eircom users are at a disadvantage.

Note to ComReg: Section 7 [see separate appendix which is Confidential to Conduit and ComReg and we request that it not be published on the internet or elsewhere as part of the documentation relating to the present consultation process.

7. [See Separate Confidential Attachment]

8. The Act of Announcing Pricing Information Regarding Call Completion will have the effect of Increasing Call Duration and Hence the will Increase the Cost of the DQ Call

As is pointed out by ComReg – the very act of providing pricing information will have the effect of prolonging the call (by up to 25% in the case of Conduit calls), and

thus of increasing the cost – by a pro-rate amount of up to 25%. There is no possible mechanism known to Conduit to announce the price within the call itself without have this effect on call cost.

This would have a negative effect on the consumer, and hence on the market for directory enquiries services.

It is Conduit's belief that ComReg should be confident that the pricing information mechanisms proposed with relation to marketing and promotional activities in parts 1. and 2. of the Draft Decision are sufficient measures to provide adequate consumer protection.

In any case consumers are aware from the number range dialed (118xy) that a different rate obtains to that which applies when dialing a call directly – that is, as with premium rate services, the number dialed in and of itself conveys expectations to the customer re pricing.

9. The Obligatory Provision of Pricing Information Regarding Call Completion will be a major inconvenience to customers who have no intention of using the call completion service.

Many (indeed, currently, most) callers to DQ services (including 11850) are calling that number in order to find out a particular phone number or numbers, which they then wish to dial themselves. That is, they are content to hear the phone number (and/or have it sent via SMS), hang up and make a separate phone call to that number.

Such customers have no intention of using the call completion service. For this reason, clearly, they do not need to hear any information regarding the pricing of call completion services.

For these customers the obligatory provision of pricing information regarding the call completion service (“before the consumer is asked to decide whether to avail of the service”, as ComReg proposes) is irrelevant and will generate a negative customer experience. As well as prolonging the call unnecessarily, and increasing the cost, it will have the effect of significantly reducing the user-friendliness of the DQ service for these customers, some of whom may choose to cease using the service as a result.

10. An announcement regarding price is warranted only where the call-completed portion of the call is offered at a rate higher than that of the original DQ call.

In the Background section of the Consultation Paper ComReg states that end-users are not aware of the “increased cost” of using the call completion services.

In fact – under most common charging schemes – there is no increased cost relative to the cost of the DQ call itself, i.e. a call completed call is simply an extension of the DQ call and is charged at the same rate as the original DQ call.

We suppose that ComReg's concern is that consumers may not be aware that the “call-completed” portion of a DQ call (where the customer opts for this service) is generally charged at a higher rate than the same call would be if it were to be dialed directly by the customer, i.e. if the customer were to hang up the DQ call, and commence a separate call to the number provided.

“Increased Cost” would mean that the call to 118xy started to incur a higher charge from the moment when the call completion process begins – which, with Conduit services is never the case.

We would accept that, in circumstances where a higher charge applies to the call-completed portion of the DQ call than to the initial part of the call (where the telephone number is sought and provided), then in such cases only it would be appropriate to require that the DQ service provider (or the telecommunications service provider on behalf of the DQ service provider) include an explicit announcement regarding the (higher) price before completing the call.

However, ComReg might consider the option of introducing a “beep” similar to that introduced as part of the Decision on Number Portability in the mobile market, whereby callers from a mobile network to a number in another network which has been ported from the network of origin will hear a short “beeping” sound, indicating that the call is going “off-net”. The implication here is that the caller will thus be aware that the call is likely to attract a higher charge than would be the case if this call were being made to a mobile phone on the callers’ own network.

In all other circumstances, however, we submit that the customer – by dialing 118xy – has de facto accepted that the entire call (including call-completion segment) will be charged at the rate quoted by his/her service provider for calls to that particular 118xy number. Thus no additional price notification during the call is required.

11. Conduit Recommendations

We recommend that ComReg move forward with its draft proposals relating to DQ price information requirements in connection with advertising and marketing promotion, but defer any implementation of the Draft Decision in relation to “in-call” pricing announcement of call completion services, pending full discussion and agreement with all interested parties.

Given the complex issues surrounding implementation, including technical, legal and issues of fair competition, we do not believe that any further announcement or information re pricing of DQ services is required by the market or is desirable at this point in time.

We believe that an exception to our position is warranted where a higher rate is being charged for call-completion than the dialled-rate charged and advertised when the call was initially made. In this case we accept that ComReg should require the DQ and/or Telecommunications Service provider to indicate (higher) pricing prior to completing the call. However, this indication might be in the form of a “beep” – as has been implemented by mobile operators in the case of numbers ported to other networks.

However, the exact mechanism for how this should be done needs to be further specified by ComReg in consultation with the interested parties and we request that ComReg extends and expands the Consultation process to deal with these issues.

Please contact Liam Young, CEO, Conduit Ltd. directly (Tel. 01-819-0000) if you require any further clarification on these comments.

3 Mr. Paul Cunnane

Respondents Name : Paul Cunnane

Respondents Email : paul@cunnane.net

Comments

1. I agree with the principle that consumers should be made aware of the costs. The costs should be clearly specified in all advertising media.
2. I agree with the proposed guidelines.

4 Eircom

Introduction

eircom welcomes the opportunity to respond to ComReg's Consultation paper on "Access to Tariff Information on Directory Enquiry Services".

Eircom notes that ComReg has confirmed to eircom that the Draft Decision remains a draft until ComReg issues a final decision following its review of the consultation responses.

ComReg have stated that a recent survey of Irish residential consumers indicates that 72% of consumers make use of directory enquiry services. ComReg has also stated that despite this high level of usage that consumers are unaware of the cost involved. All of eircom's pricing information is published and available to consumers through the website www.eircom.ie and through all of the customer service channels. Customers can also obtain pricing information for DQ services through their itemised bill.

ComReg's own research states the following:

61% of consumers using directory services were not aware of the cost of a directory enquiry call and;

51% of consumers, who avail of the option to have their call connected, were not aware of the increased cost of using this service.

Research conducted on behalf of eircom by Millward Brown¹ tracks residential customer's attitudes and behaviour in the telecom's market. In this research customer satisfaction with 11811 is measured using a variety of criteria. The research is quantitative and the sample size is 1200. Those in the sample who have used 11811 were asked:

'How satisfied or dissatisfied are you with each of the following elements of the 11811 directory enquiry service?'

Specifically on 11811 pricing there is no evidence of a high level of dissatisfaction. 73% of those surveyed were in a position to rate their satisfaction with pricing which indicates a high level of awareness of 11811 pricing. Further details are available in the confidential Annex 1.

Directory Enquiry Services is a convenience service where speed and accuracy are key. Tariff information regarding these services is available to customers prior to making a decision.

Finally, eircom is concerned that ComReg issued a Draft Decision on this matter without any prior industry consultation. It would have been appropriate to issue a Consultation Paper seeking industry views first followed by a Draft Direction.

¹ Date of survey is December 2003 – Confidential annex attached

Request for Views:

1. The principle that directory enquiry service providers should make consumers aware of the cost of using their services

Currently eircom's pricing information on Directory Enquiry Services is readily and easily available to customers via a number of information sources. These include:

The eircom website – www.eircom.ie. The customer can enter '11811', '11818' 'directory', 'enquiries', 'directory enquiries' into the search engine on the home page and within seconds have detailed price information (see appendix for information).

The back of the eircom bill – DQ pricing information appears on all eircom residential, business, corporate and government bills (see appendix for information). Prices are quoted inclusive of VAT for residential customers and exclusive of VAT for business, corporate and government customers in line with customer and market requirements.

Via eircom customer services numbers and account managers

1901 – For residential customers

1800501502 – for business customers

Account managers – Corporate and Government customers

The Directory Consumer leaflet 'A guide to Directory Enquiry Services' published by ComReg with input from eircom is an additional source of information. Whilst this leaflet does not provide tariff information or pricing comparisons between operators, it does provide very clear information on where customers can quickly obtain pricing information.

All of eircom's tariffs for Directory Enquiry services are published in the Telecommunications Scheme and this is available on eircom's website www.eircom.ie.

Consumers should always have access to tariff information in order to make an informed choice; therefore, this information should be easily accessible to them when making a choice to use directory enquiry services.

2. The proposed measures to ensure that consumers are provided with access to this information when using both the basic directory enquiry service and additional call completion/call connection services.

ComReg have published a Draft Decision which relates to provision of directory enquiry services and providers of such services. This Draft Decision states the following:

“1. When advertising or promoting its service a directory enquiry service provider shall:

a indicate the applicable charges, or alternatively indicate where such information may be obtained. The cost of obtaining such information should not exceed the cost of a local telephone call

b publicise their separate customer service number and their website address.

2. The directory enquiry service provider shall make available printed tariff information in response to requests from consumers.

3. When offering call completion or call connection the directory enquiry service provider shall inform the consumer of the specific cost of that service before the consumer is asked to decide whether to avail of the service:

a The information shall be presented as a per-minute cost for connecting the call along with any fixed charge.

b The time taken to provide such information should be sufficient to impart the information but should not be used to unnecessarily maintain connection to the service at directory enquiry rates.”

Comments on Draft Decision Section 1:

eircom will indicate on its advertising or promotional material where pricing information is available to consumers.

Currently eircom sponsors the weather forecast on national TV stations. Under current TV sponsorship guidelines for a number of national TV stations, the sponsor is prohibited from including pricing or sales promotion in their credits. This Consultation Paper addresses Access to Tariff Information on Directory Enquiries and therefore eircom assumes that sponsorship of this nature is excluded from this Draft Decision.

Comments on Draft Decision Section 2:

Printed information is currently available on the back of the eircom phone bill. ComReg’s Consumer Information leaflet also directs consumers to where this information is available from each directory service provider.

eircom will be happy to provide written information to customers on the 11811 prices eircom charges for its DQ services. If required, eircom can develop a process for this.

Comments on Draft Decision Section 3:

As previously stated, eircom’s research indicates that consumers do not choose service providers based on price but rather on speed and convenience of service. Research also indicates that customers are happy with the current level of speed, service and convenience of Irish directory service providers. It is eircom’s opinion that placing additional repetitive Interactive Voice Response (IVR) messages before

the connection or receipt of the information will frustrate customers and simply lower customer satisfaction regarding speed, handling times and convenience for all service providers.

Additionally, as with the pricing information on the back of the phone bill and other price communications, to ensure transparency, residential customers expect prices to be quoted VAT inclusive whereas business, corporate and government expect prices to be quoted VAT exclusive. This would be difficult to implement on an IVR platform.

There are a number of key concerns raised by this Draft Decision:

The DQ Service Provider should not be responsible for quoting to customers retail rates charged by other operators nor should the DQ Service Provider be required to quote prices from other operators.

This raises the possibility of rate changes not being notified to operators and could result in customers receiving incorrect pricing information on other operator's charges.

Technical issues:

Dealing specifically with the technical requirement to give customers information on the per minute rate on call completion before they are offered the service, there are a number of key issues:

The majority of Other Authorised Operators (OAOs) and Mobile Network Operators (MNOs) provide access to 11811 from their networks. However only a number of operators, including eircom, offer a call completion facility on 11811;

Operators have different charging structures and pricing for the call completion. Therefore, the cost of call completion for customers will differ, depending on which network they are calling from.

In order to give the cost of call completion to each customer, two technical issues need to be addressed:

eircom's 11811 service would have to be in a position to identify the network of origin of all 11811 traffic coming onto the DQ switch from each OAO/MNO separately. eircom would not be in a position to do this until complete accuracy of this data is ensured by all operators. This is currently not the case .

Key components of the 11811 service are automated. Calls are passed from the operator to an Interactive Voice Response (IVR) that offers the customer the option to complete the call or alternatively have the number read out to them. Our discussions with our lead equipment supplier has indicated that in order to give customers the correct per minute rate for call completion depending on which network they are calling from, a significant amount of development work is required to our DQ switch, the operating software we use, and the IVR that offers the call

completion option. eircom has attached a confidential annex (Annex 2) from our supplier which addresses this issue in further detail.

Conclusion:

In summary, eircom believes that customers should have access to tariff information to be able to make an informed decision. This information is already available and accessible to all consumers.

eircom will take the following steps to make this information further available:

eircom will indicate to consumers on all advertising and promotional material where to access tariff information

eircom is currently reviewing processes to make eircom's 11811 printed tariff information available to customers on request

eircom do not believe that DQ Service Providers should be responsible for quoting other operator's tariff information. For this reason and the other reasons outlined above, ComReg should not proceed with section 3 of the Draft Decision.

5 Silvertel

SILVERTEL REFERENCE SUBMISSION RE COMREG 04/58

ACCESS TO TARIFF INFORMATION ON DIRECTORY ENQUIRY SERVICES

Silvertel agree in principle that consumers should be made aware of the cost of using the Directory Enquiry Services. However, we consider that when advertising there should not be an alternative to indicating the applicable charges. The alternative offered weakens the decision and prevents cost information, and therefore easy comparison, becoming widely known which appears to be the object of the exercise. In our view the average consumer would prefer the information to be offered in a readable format and would be reluctant to make the necessary call.

In summary we would suggest that paragraph 1a should read ‘indicate the applicable charges’. The rest of the paragraph should be deleted.

6 Mr. Peter Weigl

Note: This submission has been edited by ComReg.

Reference Submission re ComReg 04/58

Reference: http://www.comreg.ie/_fileupload/publications/ComReg0458.pdf

[ComReg is requesting views from interested parties on

1. The principle that directory enquiry service providers should make consumers aware of the cost of using their services
2. The proposed measures to ensure that consumers are provided with access to this information when using both the basic directory enquiry service and additional call completion/call connection services.

Appendix A – Draft Decision

The decision is taken in furtherance of the duty placed on the Commission for Communications Regulation by Regulation 18 of the European Communities (Electronic Communications Networks and Services) (Universal Service and Users' Rights) Regulations 2003. This is a decision to which condition 18.1 of the General Authorisation 2 applies. Section 12 of the Communications Regulation Act, 2002 sets out the objectives of the Commission for Communications Regulation to promote the interests of users within the Community and requires the Commission to take all reasonable measures aimed at achieving those objectives including promoting the provision of clear information, in particular requiring transparency of tariffs and conditions for using publicly available electronic communications services. This decision relates to the provision of directory enquiry services and providers of such services are required to comply. This decision shall come into effect on 1 July 2004. All persons required to observe this decision are also required to submit to ComReg, on or before 30 th of June 2004, details of how it will implement the draft decision.

1. *When advertising or promoting its service a directory enquiry service provider shall: a indicate the applicable charges, or alternatively indicate where such information may be obtained. The cost of obtaining such information should not exceed the cost of a local telephone call b publicise their separate customer service number and their website address.*
2. *The directory enquiry service provider shall make available printed tariff information in response to requests from consumers.*
3. *When offering call completion or call connection the directory enquiry service provider shall inform the consumer of the specific cost of that service before the consumer is asked to decide whether to avail of the service: a The information shall be presented as a per-minute cost for connecting the call along with any fixed charge. b The time taken to provide such information should be sufficient to impart the information but should not be used to unnecessarily maintain connection to the service at directory enquiry rates.]*

Response

1. The principle

The principle "that service providers should make consumers aware of the cost" is so obviously correct that it is eerie to see it displayed for consideration.

For some years now the Regulator did not see fit to give the Irish Consumer this basic right with regards to DQ services.

Within the first weeks of existence of the new 11811 DQ service I had made ComReg aware that Eircom was not only not informing the consumer about the pricing of the "call connection" service, but misinforming the consumer. With no effect. I propose for ComReg to undertake an internal review about how in the future they can react swiftly to valid information they get from consumers. It is just not acceptable that my public outcry with articles on the comwreck.com website (http://comwreck.com/blog_4_jan22.html and http://comwreck.com/blog_18_April26.html) and a lot of behind the scene lobbying with government members seems to have been necessary to bring about this belated reaction from ComReg on DQ regulation, which basically is a straight-forward "no-brainer". The Feb 2004 "consumer guide" on DQ by ComReg is a perfect and ugly example of how consumer protection cannot be achieved.

(<http://www.comreg.ie/fileupload/publications/ComRegCG04.pdf>)

So the first question really throws up other questions: Why did ComReg not uphold one of the most fundamental consumer rights, the right to be made aware of the cost of a service/product, when the new DQ services were implemented? What measures will ComReg take, to make sure such disregard of basic consumer rights will not occur in the future and in other instances? What does asking the public in a consultation about the validity of a fundamental and unquestionable consumer right, tell about the attitude and understanding within ComReg towards consumer issues? Why can citizens not involve the Ombudsman in matters of ComReg?

2. The proposed measures

Measure 1

The proposed measure 1 about advertising is severely flawed.

The text should be amended to: "1. When advertising or promoting its service a directory enquiry service provider shall indicate the applicable charges. They should also publicise their separate customer service number and their website address."

This will have the following effects:

Consumers of DQ services will then be as adequately informed about the pricing as they would expect to be informed about the pricing when, for example, shopping in a supermarket – nothing less is acceptable from a consumer protection position with regards to DQ services. (With a telephone number given to call for pricing information, only a tiny minority of consumers will actually go to the trouble and cost of a phone call to inform themselves about the pricing.)

Service providers will thus be encouraged to simplify their pricing, which is also an important aspect of consumer protection. (The current pricing structure of DQ service 11850 is staggeringly complicated. It takes about ten minutes to get the full range being told when ringing them up.)

More practical reasons, why this part "...or alternatively indicate where such information may be obtained. The cost of obtaining such information should not exceed the cost of a local telephone call" should be dropped:

Why should the two Irish DQ service providers again be given this backdoor escape not to give consumers clear, straightforward and accessible pricing information in their advertising?

Granting this loophole is contravening the stated principle to "*make consumers aware of the cost of using their services*". Giving a phone number to a customer where he or she can ring up to ask for the price of a service, or giving a website address for him or her to look up the price of a service simply does not fit under the heading of the principle, but is a mockery of this principle.

Granting this loophole is a recipe for ongoing misinformation of the consumer.

Granting this loophole will make the situation difficult to monitor.

Granting this loophole would make the situation similar to the current situation – and that situation is not acceptable. See footnote (1).

In neighbouring UK DQ service providers are fined ten thousands of pounds for printing the pricing not exactly as the regulator has determined (and sanctioned to present all advertising material to the regulator before publication for a number of months) – why should we again and further-on have a lax attitude to pricing information in DQ advertising?

Measure 2

Measure 2 is adequate, but not important or relevant to the majority of users if measure 1 is changed as proposed.

Measure 3

Measure 3 – the most important one – is the adequate regulation for a de facto premium service like DQ. This is the measure that most EU countries have adopted from the start. This is the cornerstone of the new DQ regulation. Nothing less is acceptable.

Conclusion:

With measure three in force the violation of Irish DQ consumers rights will come to an end.

With measure 1, amended as proposed above, the Irish consumer will be adequately informed about the pricing of DQ services.

The two DQ service providers in Ireland have made millions of profits on the back of ordinary consumers because of the current flawed regulation concerning DQ and especially "call connection" pricing information.

Unlike ComReg's failure with regards to line rental pricing, dsl pricing, LLU and USO standards – where far-reaching, fundamental damage to Ireland's Telecommunication infrastructure and international position has been done – this is "only" consumers' money siphoned off (2) and not an ongoing damage.