



Mobile Broadband Group
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**Response from the Mobile Broadband Group to Ofcom's consultation
'Safeguarding the future of numbers'**

The Mobile Broadband Group ("MBG", whose members are O2, Orange, T-Mobile, Virgin Mobile, Vodafone and 3) welcomes the opportunity to respond to Ofcom's consultation on 'Safeguarding the future of numbers'. This response does not attempt to answer all the questions raised but focuses on a few that are key to the mobile industry as a whole.

Question 1 What are your views on the strategic principles that Ofcom proposes to apply to its numbering policy decisions?

Question 2 What do you think are consumers' key current views on numbering, how do you think those views will change, and how should Ofcom's current decisions take those changes into account?

Question 3 What do you think are the main ways in which technological developments will change the focus of numbering policy decisions, and how should Ofcom's current decisions take these developments into account?

The MBG agrees with Ofcom that it is critical to have a strategy for the management of this scarce resource and that there is value in having an overall structure that is broadly understood by consumers. However, Ofcom must recognise the limitations of what can be achieved through number recognition – they are signposts not precise guides. Customers can only be expected to carry around in their heads so much information. We would not encourage Ofcom to devise ever more complex numbering schemes that further subdivide the number string to indicate different pricing. Everyone recognises that communications services are becoming increasingly diverse, both in terms of number of providers and numbers of services. Customers do not rely exclusively on the number to signal the price. Ofcom correctly identifies that customers will increasingly access communications services through mechanisms that do not involve dialling a number. This will continue to put pressure on the usefulness of the numbering plan as a signpost. This is fairly unavoidable and Ofcom should not seek to restrict the development of new services through an inflexible matching of telephone numbers to services.

We recognise that this may have an impact on customers understanding. However, the evidence indicates that the numbering plan has only ever been capable of delivering rough and ready price indications to consumers. There are alternative and more direct approaches that can be and are being taken to improve clarity of pricing (e.g. through changes to on General Condition 14).

Question 7 Do you agree that Ofcom should continue to respect the geographic identity of numbers until consumer understanding of the impact of technology change evolves further, and what do you consider is the best way to develop that consumer understanding?

The MBG recognises that customers do value the geographic identity of numbers – partly because people may want to know where they are calling or identify calls on the bill but mostly because of the link to tariffs.

However, as Ofcom correctly identifies technological changes will gradually erode the link between place and number dialled. To a certain extent this has already happened with the advent of mobile phones.

The MBG would like some landline numbers to be made available as access numbers to value added services, where the service or content can be paid for through reverse billed SMS.

In outline this is a payment method whereby the customer dials a non-premium rate access number and then pays for the value added service by agreeing to receive premium rate text messages during the call, either at regular intervals, if the charge is based on call duration or a one off, if the basis for charging is per transaction.

Up to now this method of charging has been used for adult services. As 0871 was being used as the access number, ICSTIS asked that this practice be stopped and the 09 number range be used. There are however interesting possibilities for this charging method being used for non-adult services.

For example, it could be used to buy cinema tickets. The sequence might look like this: a) the customer dials a standard landline access number, b) he/she is offered a menu of films – press 1 for Film A at £3.00, press 2 for Film B at £4.50 etc. etc. c) the customer presses 1, a premium rate SMS is charged to his/her mobile account. The ticket could also be sent to the mobile via SMS or a physical copy to the account holder's registered address. The system of supplementary charging would be offered in a manner that puts the customer in control and gives full visibility of the charges for value added services.

We would like to be able to use a standard landline access number (just as vendors that sell goods over the telephone and charge the customer's credit card.

In recent discussions with Ofcom, it has been suggested that it may be preferable to use a range of access numbers that is not linked to a specific geographic location. Our preference is that such a range is drawn from 01, 02 (or possibly the new 03 range), so that origination prices don't need to cover a revenue share element. We want to avoid the 087 range and all its concomitant issues.

Question 11 Which broad approach should Ofcom take to structuring the '09' range, and if a re-structured '09' range is preferred how would you arrange the different types of '09' services (e.g., according to price per minute, price per call, inclusion of adult content)?

Ofcom's research clearly shows that consumers have a good idea about their overall spend on telecommunications but not much idea about the cost of individual calls.

This is not surprising. The same is probably true of the costs of units of gas, electricity and water. They are the sort of minutiae that are difficult to remember.

Nevertheless, the MBG supports Ofcom's objective of restoring confidence in premium rate services. It may be that some improvement can be achieved through making adjustments to the structure of the numbering plan. Of the options presented, the MBG prefers 3b. As Ofcom points out this option offers reduced tariff granularity but would be more readily understood by consumers.

We do not believe it would be worthwhile refining the tariff structure to allow for call barring beyond the 09 level. It is our experience that very few individual customers take advantage of this facility and when they do it is for reasons of cost rather than content. This point may be worth researching in more detail during the review of ICSTIS's scope later in 2006.

In addition, the MBG would like an allocation in the 09 adult range with no SP PRS termination charge (i.e. no revenue sharing element), exclusively for making calls from a mobile. This type of service used to operate on 0871xxx but was brought to an end when Ofcom determined that adult services should operate off 09 numbers. It would be exclusively used for making calls from mobiles, as it is only through the mobile networks that the reverse-billed SMS charging mechanism can be effected.

The reason is that we wish to be able to charge for adult voice calls using reverse billed SMS (see reply to Q7 for explanation) as we feel that this another way of improving the clarity of pricing.

Customers have a much clearer idea about what they pay for their basic calls than they do for premium rate calls. It will therefore be easier and clearer if the charge for content and the charge for carriage are shown separately. As an example, the service might be advertised as "50p per minute plus your normal network rate". The 50p per minute would be billed through reverse billed SMS, the network rate through the normal charging mechanism for voice calls. Thus the SP's message is consistent and clear, whatever tariff the customer is on.

Question 37 Is it more important to indicate price per minute or price per call, and does this vary for different types of PRS service? What granularity of PRS tariff information should be given to consumers by the Numbering Plan?

We refer to the answers given to question 11.

Question 38 Should there be any PRS number ranges with no tariff ceiling?

This matter should continue to be kept under review. Eventually it should be possible to make PRS available with no tariff ceiling. However, as consumer confidence in PRS has, in the recent past, been shaken by internet dialler and other issues, it would be better to reconsider once the industry is on a sounder footing and the actions arising from Ofcom's 18 recommendations have demonstrably been able to have a positive impact.

Question 40 Do you agree that that part of the 07 range which is currently unused (071-075) should be reserved for mobile services, with the aim of establishing 07 as a mobile 'brand'?

Yes. 07 has established itself as being very clearly associated with mobile calling. We also support the move to put personal numbers in the 06 range and not give any more allocations in 070 for personal numbering.

Question 41 Should Ofcom reserve specific sub-ranges within the 071-075 range for new mobile multimedia services, in the interests of promoting consumer awareness and tariff transparency, and if so how?

On balance, the MBG would not support sub-ranges for this purpose. As we have discussed above, consumers do not retain information about sub-ranges. This is too great a level of detail. Secondly, they prefer to have one telephone number. It is an unnecessary complication to have to give out two telephone numbers for mobile contact. The choice of whether the customer is making a basic voice call or a videocall is then made on the handset during the call set-up procedure.

Question 42 Do you support the use of 100,000-number blocks in allocating mobile numbers to new mobile voice providers?

This approach may be practical for small new entrants as a way of conserving the number stock but it would not work for the established mobile operators or if the 100k allocations for new entrants encroach on the existing operator allocations. Unlike geographic numbers, mobile numbers impact the way signalling is handled between the mobile operators abroad. Currently, global mobile number identity is conveyed at the one million block level and therefore if the UK allocation was 100,000 this would have implications for international inbound signalling, SMS and possibly other calls. It also has an impact international routing of numbers and would require a much greater depth of analysis (potentially ten times as much) and additional on-going maintenance.

Question 58 What do you think of the potential conditions proposed by Ofcom for inclusion in a consumer protection test for number allocation, including the proposals that numbers should not be provided to anyone with a particular track record of persistent and/or serious consumer abuse?

Question 59 Are there any other circumstances in which it may be appropriate for Ofcom to refuse number allocations?

Question 60 Would you support the use of a consumer protection test as a basis for withdrawing number allocations? What kind of considerations should Ofcom apply in any such test, and what would be the practical issues involved in applying such a test?

The MBG supports Ofcom's suggestion of introducing a consumer protection test as a basis of both allocating and removing number allocations.

Prior to the new European framework, number allocations were only made available to providers that held Annex II status. The regulator, through the licensing regime, exercised an iron grip on how they were used.

It is an unforeseen consequence of market liberalisation that certain parties, particularly in the premium rate arena, have been able to effect repeated scams against the public by continuously acquiring premium rate numbers.

The MBG recommends that service providers that breach the ICSTIS code on a repeated basis are barred from operating in the premium rate market. This provision should also attach to the individual directors behind the companies to discourage fraudulent operations that persist under the veil of incorporation.