<u>A Response from the Communications Management Association to Ofcom's consultation on Mobile Number Portability - Review of the porting process</u>

<u>About CMA</u>

CMA is an association of ICT professionals from the business community who have a professional interest in communications, in both private and public sectors. It is a registered charity 50 years old, totally independent and without supplier bias. It is run by the members, for the members and aims to influence regulation and legislation, provide education and training and disseminate knowledge and information, for the public good. CMA's contribution to public consultations is generated via the process described in the Footnote to this response. (www.thecma.com)

<u>Summary</u>

Bearing in mind CMA's tight focus on business customers of the CPs, this is a very brief response. We have not tried to address the specific questions posed by Ofcom. CMA recommends that Ofcom adopt a recipient-led solution, with a maximum turn-round of one working day. Furthermore, while the same basic system should be used for domestic and business ports, we would expect business customers to be given higher priority in the porting queue.

<u>Small and Large Businesses</u>

It is not possible to generalise when differentiating between the requirements of small business users and those of medium to large customers. The former are more likely to have a few individual arrangements, or domestic consumer contracts, while the latter tend to rely on company-wide, bespoke contracts reflecting specific services and valid for longer periods. Larger companies in that category can look after themselves in this regard and will negotiate their own agreements with suppliers. Other enterprises, although many will have a corporate contract with a single supplier, are more likely to be directly affected by porting policies. However, all business users, of whatever description, are negatively impacted by delay, "win-back" and "save" tactics employed by the donor operator.

<u>Process</u>

Donor-led porting is not working as well as was hoped. Donor porting is inherently not a one-day process. It offers the donor opportunities for delays of 5 working days, and more, in the exploitation of a requested port. It is manually-driven, is not supported by a centrally-operated database and should be abandoned in favour of recipient-led porting, supported by a central database-cum-clearing house, as implemented in the rest of the EU.

CMA understands that the UK adopted donor-led porting because of intensive lobbying (on the grounds of a least-cost solution) by the MNOs, which Oftel felt unable (or was unwilling)

to resist. The UK is the only country in Europe – possibly in the world - to have adopted donor-led porting.

We also understand that, in broad terms, a recipient-led porting process consists of the following:

1. Recipient requests the donor for a port;
2. Donor contacts customer (to ensure the port is what he has requested) and either agrees (or refuses, usually because the customer is in mid-contract and declines to pay off the balance, one of the very few reasons for a port to be refused). The donor has a right to make this contact;
3. Recipient prepares new SIM, phone, contract etc;
4. Recipient informs donor that all is ready and sends new routing information to central database;
5. Donor disconnects customer;
6. Recipient connects customer.

It is quite feasible for the process to take place inside a maximum of one working day. However, it requires a sophisticated IT system and slick manual procedures. It also requires a balance to be struck between fast porting and customer protection, in that a fast port (of, say, 2 hours) can preclude donor contact with the customer (as in step 2 above), thus creating a risk of slamming. Because of commercial imperatives, (and the size of the revenues involved) businesses expect to be given precedence in the porting process. However, CMA does not advocate a separate (ie: technically different) porting process for business customers.

We understand that each operator has its own IN database and these are then fed by the central administrative database. The latter takes no part in call by call routing, so is not immediately a security problem. The Central database is then supported by a Central Clearing House. We believe that almost all operators in other countries have some sort of clearing house where delays in processing a port can be flagged up (at pre-set trigger points) when delays occur. Problems are escalated appropriately and there is regulatory oversight. This safeguard is not present in the UK's donor system.

We note that in countries adopting a national database approach, there is sometimes resistance to granting access to the database, since it is operated as a commercial service. Moreover, some countries refuse to allow access to such personal data from outside their national borders.

We cannot envisage competing databases and so we foresee a franchise approach and/or a third party operation owned by the operators.   A common database has the advantage of reducing or removing the daisy chain effect (especially for incoming international calls). For example, if a customer elects to flip-flop between 2 mobile carriers several times over a period of time, a common database ensures that each time they return to the home carrier they are removed from the database of ported numbers. Without a common database the potential exists for tromboning between the two.

The CMA believes that all operators should have access to the database, so that all fixed operators, including operators of international gateways, can send calls to ported mobiles on an efficient basis.

<u>The Business Requirement</u>

In addition to recipient-led porting, businesses want:
- Ofcom to police possible deterrent tactics used by donor operators, in particular;
    - Win-back and "save" activity to be proscribed;

- A guaranteed turn-round time of no more than one working day, supported by a General Condition that allows penalties for ineffective implementation or outright non-compliance;
- While a central, national database is the preferred solution, Ofcom will no doubt wish to take due account of issues of cost, security, data protection, competition and operational impacts (the speed of a number port must acknowledge the international knock-on effects).

International experiences (via INTUG)

New Zealand's portability system is owned collectively by the carriers via the Telecommunications Carriers Forum. The relevant documentation is here: http://www.tcf.org.nz/library/35202ae3-cfe8-41d3-ba8d-7711d56182d7.cmr All international calls to NZ numbers go initially to the host carrier who owns the appropriate number block, who then dips them into the shared industry database to ascertain whether they have been ported before routing them for completion.

In Belgium all operators use a national database from the NRA, with all ported numbers.

In The Netherlands there is a common database, with all ported numbers, managed by the operators.

CMA
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Footnote - CMA's Internal Consultation Process on Regulatory Issues
Any consultation document (condoc) received by or notified to CMA is analysed initially by the appropriate Forum Leader for its relevance to business users based in the UK. (The majority of CMA's members are based in this country, with a third of them having responsibility for their employers' international networks and systems).
If the document is considered to be relevant to CMA, it is passed, with initial comments, to members of both the appropriate Forum and the 20 or so members of CMA's "Regulatory College" – ie: those members who have experience in regulatory issues, either with their current employer, or previously with a supplier. The CMA Chairman is also a member of the College. The detailed comments from the College are collated by the Forum Leader in the form of a draft response to the condoc. Note: if the condoc has significant international import, the views of the international user community are likely to be sought. This is done through the International Telecoms User Group (INTUG).
Time permitting, the draft response is sent to all members of the Association, with a request for comment. Comments received are used to modify the initial draft. The final version is cleared with members of the appropriate Forum and Regulatory College (and, if the subject of the consultation is sufficiently weighty, with the CMA Board). The cleared response is sent by the CMA Secretariat to the originating authority. It might be signed off by the Leader of CMA's Regulatory Forum, and/or by the CMA Chairman.