

**Vonage Limited (“Vonage”) Response to Ofcom’s Consultation Telephone  
Numbering Safeguarding the Future of Numbers 23rd February 2006  
 (“Consultation”)**

Vonage agrees with the principle that numbers must be managed effectively, so that they are available on demand, do not need to be changed, and have significance to those who call them.

Ofcom’s proposals to reduce the size of block number allocations together with conservation measures will in the short term address threatened shortages of numbers in geographic areas as will the adoption of overlay codes as a backstop measure. Any shortage in numbers is not exacerbated by market entry of new competitors such as VoIP providers. In fact, the impact of new IP technology and roll out of NGNs will result in more efficient use of numbers.

Vonage agrees that numbers should be allocated in a technical neutral manner which does not favour one form of network or technology over another.

Consumers care about the continuity of their own number – Vonage’s view is that minimising the need for consumers to change their geographic numbers can be achieved through (a) Ofcom’s proposed allocation policies and (b) greater access to number portability.

Availability of number portability across all platforms will minimise the need for consumers to change their geographic number and achieve Ofcom’s goal of ensuring continuity of consumers’ telephone numbers. However, there are problems associated with porting numbers between different platforms which need to be addressed urgently. Loss of a consumer’s DSL connection on porting is a serious impediment to the current number portability process and is a consequence that consumers are unlikely to be aware of at the time they put in a request for number portability. We raised this issue in our response to Ofcom’s consultation Number Portability and Technology Neutrality last year where we stated that naked DSL would solve the problem in that continuity of service would be ensured through no loss of the DSL connection during the porting process.

Given that the development of NGN networks will enable Ofcom to allocate numbers in smaller blocks the risk of exhaustion of numbers is eliminated. In the meantime, Vonage supports Ofcom’s proposals in relation to 1000 block allocations in Conservation Areas and the selective use of overlay codes (such as 023) for specific areas as an interim measure to ensure number availability. Increased availability of number portability for providers of all platforms will also aid number conservation and operate as an effective means to minimise number changes.

Vonage accepts that the transition to VoIP and NGN networks means that information provided to callers as to the location of the person being called and information to people receiving calls as to the location of the caller may not always be readily apparent. However, provided that communications providers’ tariff options are transparent in relation to numbers being called this is not detrimental to the consumer. Vonage would also point out that the majority of consumers requesting geographic

numbers do so with the intent of using those numbers within the geographic area covered by the area code allocated. Out of area use is not the norm.

The intrinsic link between a geographic number and a specific location will no longer apply to the same extent as with traditional PSTN networks. Vonage agrees with Ofcom's view that this trend cannot be halted by regulation and that consumers will benefit from increased innovation and competition over older PSTN constrained services. In relation to maintaining consumer trust Vonage supports Ofcom's view that measures already exist to protect consumers. Condition 3.1.2 of the National Telephone Numbering Plan specifies that a number can only be used out of area if such use is requested by the end user of that number. It is the consumer who chooses whether a number is to be used out of area – control over number usage rests with the consumer. As mentioned above, Vonage's experience is that the majority of consumers choose not to use numbers out of area albeit the ability to do so is seen as a beneficial exercise of consumer choice. The National Telephone Numbering Plan also provides for consumer tariff protection by ensuring that where a number is used out of area, consumers calling such number are charged the applicable tariff if the number was in fact being used within the designated area.

Ofcom has said that there is an outstanding concern that consumers calling geographic numbers might be misled as to the location of the customer being called. Vonage agrees that a ban on out of area use of geographic numbers is wholly disproportionate to any harm that might befall a consumer caller. It should be noted that many businesses operate on 0800, 0870/1 and 0845 numbers anyway. Use of these non-geographic numbers means it is not possible for a consumer to know the location being called or the location of a company making a call. The significance of location is a diminishing factor amongst consumers. For example, consider the uptake of mobile phones and the use of mobile phone numbers by consumers and businesses alike – location of the caller and called party is unknown when a mobile number is used. Consumers have therefore become accustomed to making and receiving calls in a society where fixed location is no longer a factor. It is also worthy of note that there is now less significance in telephone numbers themselves. Take for example the way in which numbers are stored on telephones. More often than not numbers are stored and dialled by the name of the person to be called. What has become significant is the name of the person or business not the number itself.

Vonage does not support the proposal to apply a charge to the allocation of numbers. Vonage's view is that this would be another tax (no matter how "modest") on business and unnecessary in light of Ofcom's proposals to (a) reduce the size of block numbers and (b) conservation measures. Additionally, NGN developments will reduce pressure on numbering capacity. Any charge on communications providers will be a barrier to entry for new entrants (particularly the smaller entrant) and will ultimately be passed on to the consumer and therefore not in the consumer's best interests. Consumer interest is best served by promotion of effective competition and not by taxing new entrants and new technologies.

With the development of NGNs, utilisation of numbers will be enhanced with the result that the risk of unavailability of numbers and consequent number changes will be significantly reduced. Short/mid term measures covering reduction in size of block allocations and specific code overlays together with the availability of number

portability for inter platform switching of numbers will (a) ensure the availability of numbers and (b) encourage development of new services which will bring about greater consumer choice and benefit. This approach supports consumer choice and protects consumer interests whilst at the same time promoting competition and innovation. In relation to the need to protect consumers, Vonage endorses the adoption of consumer protection tests through which Ofcom would be able to deny number allocations to communications providers persistently and seriously abusing consumers.

Vonage Limited  
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