

Tel: 0845 004 0040 Fax: 0845 004 0041 e-mail: info@magrathea-telecom.co.uk

Samir Prakash Competition Group Ofcom Riverside House 2A Southwark Bridge Road London SE1 9HA

By email to NGCSReview@ofcom.org.uk

Response to Ofcom's consultation on revenue sharing in the 03 number range

We welcome the opportunity to comment on Ofcom's proposal to modify the restrictions on the use of 03 telephone numbers.

We agree with Ofcom that schemes which encourage calls to 03 numbers purely for the generation of cash, credits or vouchers to the caller are harmful to the number range. We agree that it is undesirable that such practices distort the financial model of OCPs in relation to inclusive call allowances.

However, we are concerned that the use of the word "indirectly" in the proposed new text is too wide and insufficiently precise. There are a number of instances where callers who are making a legitimate call for a legitimate purpose with no incentive artificially to prolong the call, might receive some sort of indirect benefit, even a financial one.

For example, an organisation (called party) may choose to divert an 03 number to a customer service centre overseas. The caller is thus able to make an overseas call at the cost of a national rate call, which is arguably a benefit to the caller. We would welcome clarification as to whether such a service would be caught by Ofcom's proposed text.

We feel it is important not to lose sight of the benefits to consumers of innovative products. Innovation should be encouraged where there are no harmful side effects or unintended consequences.

Magrathea Telecommunications Ltd September, 2014