

New Voice Services – an Ofcom Consultation Response on behalf of Video Networks Limited

Video Networks (VNL) welcomes the opportunity to respond to Ofcom's consultation on New Voice Services. We support Ofcom's forward thinking proposals which will give consumers even greater choice of voice service providers. It is important that the current momentum is retained and that the benefits can be realised by consumers as soon as possible. VNL anticipates working closely with Ofcom and other industry players in the various co- and self- regulatory groups in this key area.

Our comments on Ofcom's specific questions are as follows:

Question 1: What types of new voice services do you envisage becoming available in the future and what characteristics will they have that distinguish them from traditional voice services?

People will always have a need to talk to each other. We see the future as being one where current voice services are bundled together with other services and products in new and innovative ways, delivered via new media. For example, gamers being able to speak to each other while playing on-line; text messages delivered via a television as sound with a picture of the sender.

Question 2: What are the main policy challenges raised by the introduction of new voice services for consumer protection and regulation?

Consumers need appropriate information on which to base their purchasing decisions. There are already many thousands of households in the UK where only DECT handsets are installed which will not operate in the event of a power failure. We presume that the labelling regime in place is satisfactory otherwise there would no doubt be legislation in place requiring the presence of a non-DECT phone on every fixed telephone line. Similarly, users of mobile telephones have an expectation of coverage and network availability which does not seem to have prevented such a huge presence in the market place. Industry should be able to explain to its customers, in a way that they will understand, the limits and benefits of the services they are purchasing.

Question 3: Do you agree with the initial top level aims identified by Ofcom?

Yes. We also believe that any regulation should be technology neutral.

Question 4: Are there other aims and criteria that Ofcom should consider?

Ofcom should ensure that existing operators are not allowed to inhibit the provision of new and innovative services by unnecessary delay in agreeing new interfaces and ways of working. There should be a spirit of cooperation, acting in the interests of consumers at large, bringing new services into the market at the earliest opportunity. VNL has painful experience of such problems with incumbents who are unwilling to facilitate the practical implementation of new and exciting services.

Question 5: Are there other key policy questions that Ofcom should be considering?

VNL suspects, notwithstanding our concerns over timescales, that technical issues will be surpassed by commercial disagreements for the interconnection and conveyance of new voice services. We would urge Ofcom to establish a working group at the earliest opportunity to consider this, if it has not already done so. Industry needs to be able to move away from the costs of upgrading legacy systems, which are unlikely to be relevant for new voice services, towards a more equitable basis for charging.

Question 6: Do you agree with Ofcom's initial view that it is not necessary for all voice services to provide the same standard features as traditional telephone services, and that we should instead focus on enabling consumers to make informed decisions?

VNL agrees entirely with Ofcom that it is not necessary for all voice services to be equivalent to traditional fixed line telephone services. UK consumers tend to be relatively early adopters of new technology when compared to their European counterparts. It is likely that there will be little difficulty in communicating the new facilities as well as differences of new voice services.

Question 7: Do you agree with Ofcom's initial view that it is not desirable to draw a distinction between the regulation of services that look like traditional services and those that do not?

Regulation should be technology neutral.

Question 8: Do you agree with Ofcom's initial view that a distinction should not be drawn between the regulation of 'second line' services and 'primary' services?

It is unlikely that consumers will draw any distinction and we do not believe that Ofcom should treat them any differently.

Question 9: Do you think that a threshold should be set at which new voice services should be required offer the same features as traditional voice services? If so, how should the threshold be set?

No. Given our position that regulation should be technology neutral, we find it difficult to justify an ongoing situation where "traditional" voice services are treated differently to new voice services. It may be that existing networks would gain nothing by changing the nature of the service provided but they should not be prevented from doing so by inconsistent regulation.

Question 10: Do you agree that most providers would want to offer at least a basic form of access to 999?

Yes, VNL believes that it is very likely that most providers of new voice services would wish to provide access to 999. There may be some niche providers, where voice is a small part of their business activities, who might wish to provide only a very basic service. For example, the ability to speak while engaged in online gaming may not require the provision of 999 access.

Question 11: Do you agree with Ofcom's initial view that consumers sufficiently value having access to 999 in order for them to wish to retain at least one means of 'high quality' (very reliable) access to 999 at home?

No, as discussed in our response to Question 2 above, we believe that consumers have already made decisions as to the acceptable quality and reliability of access to 999, both at home and while mobile. VNL would be interested to know the originating source of calls to 999 - how many are actually made from fixed residential telephone lines? Ofcom may be more concerned than consumers are demonstrating through their current actions and choices.

Question 12: Do you agree with Ofcom's initial view that not all voice services should be required to offer access to 999 but that decisions about subscribing to and using such services must be properly informed?

Yes.

Question 13: Do you agree with Ofcom's initial view that given some new services may not be able to offer the same degree of reliability for emergency calls as traditional voice services, it is better that these services are able to provide less reliable access to 999 rather than preventing them from offering any access at all?

Yes, although consideration must be given as to how consumers will recognise, if there is a problem with a 999 call, where the difficulty originates. For example, subsequent investigation into the occasional press stories about delays in answer of 999 calls have determined a variety of problems – on and off the networks in question.

Question 14: Do you agree with Ofcom's assessment of the costs and incentives for providers offering PATS?

VNL feels that, if a 999 access is to be provided then, the vast majority of providers would do their best to provide reliable access. There is little to be gained and potentially much to be lost by providing a poor quality 999 access service.

Question 15: Do you agree with Ofcom's understanding of the implications of the definition of PATS contained in the Directives?

Yes.

Question 16: Do you agree with Ofcom's understanding of the implications of this alternative approach?

We agree with Ofcom's understanding but await, with interest, the final clarification from the Commission.

Question 17: Are there policy initiatives in other areas related to new voice services that Ofcom should be considering?

As stated above, existing voice network operators should not be allowed to thwart the new voice service providers in implementing their services, either through technical or commercial arguments. Ofcom should be aware of the potential for anti-competitive behaviour in this respect.

Question 18: Although Ofcom is not consulting on its interim position, it would welcome your views on its interim policy to forbear from enforcing PATS obligations against new voice services which offer access to 999.

VNL welcomes Ofcom's positive and pragmatic approach. This will enable the accelerated provision of new services, to the benefit of consumers and competition.

Question 19: Is it reasonable to have different network integrity requirements for nomadic services compared to services at a fixed location, and how should consumers be made aware of this difference?

Yes. It is difficult to see how network integrity requirements could be enforced for nomadic services. Which party would have the responsibility? Where would the contractual relationship(s) lie for service availability. As long as consumers are informed of both the limitations and benefits of any service they are purchasing, they should be able to make an appropriate choice.

Question 20: Do you think that it is better for Ofcom to: 1. Retain the Essential Requirements Guidelines in their current form; 2. Re-issue the Essential Requirements Guidelines, incorporating additional guidance in relation to Voice over Broadband and Next Generation Networks; or 3. Withdraw the Essential Requirements Guidelines, and apply the 'reasonably practical' test set out in General Condition 3.

VNL believes that the 'reasonably practical' test underlines Ofcom's stated preference for 'light touch' and appropriate regulation.

Question 21: Do you think that there are reasonably practical measures that providers at a fixed location can take even if they do not directly control the underlying network?

VNL itself would seek service level agreements from its network partner(s), particularly so in the case of access to 999 services.

Question 22: What in practice should the roles of the network provider versus the service provider be for network integrity when the network provider has no control over the services offered over their network?

It is for the parties concerned to negotiate and agree responsibility for such things as network integrity and the quality of services conveyed over the relevant networks.

Question 23: Do you agree that it is likely to be reasonably practical for analogue telephone and ISDN2 services to provide line powering but not other services?

VNL does not believe that providers should be required to provide line powering for new voice services. However, this should not and will not, in our case, prevent providers from investigating the options for line powering of new services. This is an area where providers may be able to achieve some product and service differentiation to the overall benefit of consumers.

Question 24: What are your views on the technical feasibility of providing location information for nomadic services, both now and in the future?

It is possible that there may be quite simple ways in which location information might be kept up to date for nomadic services. For example, providers may choose to incorporate a question on current location as part of a login process. It seems highly unlikely that no solution is to be found to the issue of location information.

Question 25: What approach for emergency location would take account of current technical limitations, whilst ensuring that technical advances bring benefits to emergency organisations in the long run?

Industry should continue to work on this issue, recognising that some aspects of the problem may simply be addressed using human factors, for example, training call centre staff in questioning callers to the 999 service as to their location. This already takes place with calls from mobiles.

Question 26: Do you agree that consumer information is required where services look and feel like a traditional telephone service but not where services are clearly different (e.g. PC based services)?

We would question whether a PC based service could, in any way, be confused with a traditional telephone service. However, we do agree that consumers should be adequately informed as to the benefits and limitations of the service they are considering at the point of sale.

Question 27: Do you agree with a two stage approach to consumer information, first to ensure the purchaser is aware of the nature of the service at the point of purchase, and second to ensure all potential users are aware the service does not provide access to 999 at the point of use?

The two-stage approach is good in principle. However, it is difficult to foresee all possible situations relating to potential users of a telephony service. We would note that if a DECT handset fails to operate due to a transient problem, consumers are not currently advised at point of purchase how to gain alternative access to 999 services. There has to be a balance between practicality and realism. We would suggest that Ofcom and industry could propose common guidance in regard to new services and access to emergency services.

Question 28: If consumer information is required to ensure that consumer interests are protected, which of the above frameworks regulatory framework, if any, is appropriate to ensure it is successful?

Ideally, VNL would prefer the self-regulatory approach to the protection of consumer interests. However, should this path be followed it must be subject to a strict timetable to achieve its objectives. Failing this, unfortunately, we believe Ofcom should intervene and impose a co-regulatory approach. The interests and safety of consumers should not be compromised by industry prevarication.

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