



Guidelines on Customer Information and Marketing Material for Undertakings Providing PATS at Fixed Locations

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1. Introduction

Responsible advertising and marketing communications help to bring significant benefits for both end-users¹ and service providers, as well as for society in general.

During January 2007, in a Decision Notice on emergency services obligations of Publicly Available Telephone Services (PATS) at fixed locations, the Malta Communications Authority (MCA) specified that any potential limitations relating to emergency call access shall be stated on marketing material and brought to the attention of end-users.

The MCA is publishing these guidelines in terms of the Malta Communications Authority Act,² Article 4(3) (r), whereby the MCA has the function to “promote the interests of consumers and other users in Malta.” In addition, Article 4(3) (h) gives the Authority the responsibility to “provide information and issue guidelines to the public and to commercial entities relating to any matter regulated by or under this Act.”

We would like to emphasise that these guidelines are distinct from the obligations outlined in the Decision notice. They are designed primarily as a guide to service providers with regards to any self-regulatory measures that may be taken in relation to advertising content.

¹ ‘End-user’ refers to: a user not providing public communications networks or publicly available electronic communications services, as defined by the Electronic Communications (Regulation) Act (Chapter 399).

² Chapter 418, Laws of Malta

2. Background

The MCA believes that adherence to these guidelines will serve to ensure that end-users are fully aware of the characteristics of the service being provided, including any limitations, when contracting for PATS at fixed locations.

In particular, these guidelines are intended to assist PATS service providers in communicating the characteristics of this particular service.

This is particularly important at this point in time, when competition is relatively new to the market and when a significant portion of end-users is only familiar with traditional Public Switch Telephone Networks (PSTN). The traditional PSTN incorporates a feature known as 'in-line powering', which enables most telephone equipment to function without requiring a separate electricity supply.

It is noted that several telephone models connected to the PSTN may rely on electricity to operate, for example, cordless phone sets or other feature-phone sets.³

³ Feature-phone sets may incorporate additional functionality such as basic voice messaging, receiving and sending of facsimile, or basic private internal exchange line facilities.

3. Scope

This set of Guidelines applies to service providers engaged in providing telephony services at fixed locations.

It is recommended that service providers make both existing and potential customers of PATS at fixed locations aware of these Guidelines, either by:

- publishing the Guidelines on their website; or
- creating a link to the document on the MCA's website;

thus guiding customers accordingly.

These Guidelines are intended to minimise unwarranted inconvenience for both end-users and service providers.

4. Objectives

The main objectives of these Guidelines are:

- To promote the best interests of both service providers and end-users of PATS at fixed locations;
- To ensure that there is clear, pre-contractual information readily available to the public that identifies particular characteristics of PATS at fixed locations;
- To provide best practice parameters for service providers' marketing endeavours.

5. Guidelines

5.1. Information relating to emergency services in customer contracts

- Contracts offered to end-users by a service provider providing PATS at a fixed location, should clearly identify the major elements and limitations of the service. It is therefore recommended that in cases where the service, such as Voice over Internet Protocol (VoIP) based services, will not operate when there is a power failure, a risk caption **similar** to the following is included in the terms and conditions of all contracts, in CAPITAL LETTERS or marked in **BOLD**, and labelled as 'IMPORTANT INFORMATION':

'IMPORTANT INFORMATION: ... Your service will cease to function if there is a power failure in the premises where the service is installed or any other power failures resulting from the network, unless the equipment installed in such premises is provided with a power back-up facility.'

The risk caption should be followed by an indication of the minimum time period of self-sufficiency afforded by the battery back-up provided by the service provider when charged to its maximum capacity.

- With regards to traditional PSTN, it is suggested that a **similar** type of statement should be included in cases where certain categories of Customer Premises Equipment (CPE) may be dependent on power supply.
- The service provider should take reasonable steps to ensure that customers assume responsibility for not having access to emergency services should they refrain from installing backup power facilities. The Authority recommends the inclusion of the following clause in a contract of service:

'Where the customer chooses not to install a power back-up facility, the customer is then responsible for the inability to make calls to emergency services in the event of any power cut or failure in the respective network.'

- It is strongly recommended that the aforementioned risk caption should be prominently placed in the contract of service alongside the customers' signature, so that his/her attention is drawn to the message before taking up the service.
- PATS service providers should supply customers with stickers, in both English and Maltese, for PATS telephone sets as well as powered CPE indicating that CPE connected to the mains power supply requires suitable backup power facilities for the purpose of ensuring uninterrupted access to emergency services. Moreover, the MCA encourages service providers to outline the provision of the said stickers in the contract.

5.2. Marketing Activities

Advertising and promotional literature should be clear, unambiguous, accurate and containing no false or misleading information. Promotional material must also comply with any applicable consumer legislation.

▪ Television

When using this medium for advertising, it is recommended that any risk captions should be clearly indicated at the bottom of the visual. In order to ensure that the limitations of the service are made clear to the public, the elements in the advertisement should be balanced and proportionate. As a minimum, the MCA suggests that the risk captions should be indicated in the last frame of the advert. They should take up no less than 10% of the visible area and the text should be aired for a minimum of 3 seconds.

▪ Radio

The MCA recommends that any risk caption be aired in all radio advertisements.

In instances where TV or radio advertisements do not exceed 15 seconds, risk captions may be eliminated. Nonetheless, a clear statement that *Terms and Conditions apply* should be included.

▪ Print

As a minimum, print adverts should display those terms and conditions necessary to give end-users a fair and balanced indication of the nature of the offer and in particular, any characteristics that may impact end-users' access to emergency services. Adverts should contain information as to how the full version of the terms and conditions can be obtained. It is imperative that this information is correct and that end-users seeking to obtain information about terms and conditions, may do so easily.

The service provider should ensure that the risk caption should be included in all adverts and that it should be clear and legible. Font size of the risk caption should be proportionate to the remaining text and size of the advert. This also applies for billboards; advertisements in bus shelters and other means of print advertising.

As a general guideline, MCA suggests that the font size for the risk caption should be approximately 66% of the main text font size, assuming that the font type remains unchanged.

Service providers should take active steps to draw the attention of existing or potential customers to the limitations of their service, in ALL promotional material, for example, leaflets and consumer guides.

▪ **Telephone and/or Point of Sale**

Service providers should ensure that the customer service representatives make end-users aware that access to emergency services will not be possible in the event of a power or network failure, where this is the case. These limitations to the service should be communicated to the end-user at the point of sale. Sales representatives should always highlight the risk caption, together with other relevant terms and conditions to the customer and ask him/her to verbally acknowledge his/her understanding of each statement before taking up the service. This will ensure that the end-user is aware of the terms and conditions outlined in the contract before subscribing to the service.

▪ **Website**

Any risks should be clearly outlined in the relevant online pages. Moreover, MCA strongly recommends that they should be addressed in the appropriate Frequently Asked Questions (FAQ) section and should be preferably listed in the first 10 FAQs.

5.3. Risk Caption for services that require mains electrical power supply

The following is considered to be an appropriate risk caption for services that require a power supply to operate:

English: **'This service requires mains electrical power supply'**

Malti: **'Dan is-servizz jahdem bid-dawl'**

6. Conclusion

Service providers of PATS at fixed locations should recognise that it is in their own interest to observe these Guidelines. Service providers can create a more competitive environment by providing clear, unambiguous and accurate marketing material which end-users can fully trust and which will lead to informed decisions. This will contribute towards longer-term customer satisfaction and also avoid unnecessary complaints and possibly litigation.

The MCA recognises that the PATS at fixed location market is at the initial stage of competition and hence acknowledges that these Guidelines may need to change in order to take into account technological and market developments as well as changing consumer / end-user expectations.

7. Glossary of Terms

- **CPE – Customer Premises Equipment**

CPE refers to communications equipment in the customer's premises (i.e. it is owned or leased by the customer).

- **PATS- Publicly Available Telephone Service**

PATS is a service that is available to the public for originating and receiving national and international calls and access to emergency services through numbers in a national or international numbering plan.

- **PSTN – Public Switch Telephone Network**

PSTN is the worldwide voice telephone network. Originally a network of fixed-lines consisting of analogue telephone systems, the PSTN is now almost entirely digital in technology, except for the final link to the user, which is commonly provided over a copper wire pair.

- **VoIP – Voice over Internet Protocol**

VoIP is the routing of voice conversations over the Internet or through any other IP-based network.