



CICRA media release

23 May 2012

CICRA warns consumers on JT's advertising of '4G' services

The Channel Islands Competition and Regulatory Authorities (CICRA) is advising consumers to be careful when considering JT's advertising campaign for '4G' mobile telecommunications currently running in various media in Jersey and Guernsey.

CICRA is concerned that the advertising may be misleading as to the service that they will receive.

In its promotional materials, JT refers to the possibility of receiving mobile broadband at up to 42 megabits per second (Mbps) on a new "4G network". However, CICRA is concerned that JT's advertising does not make it sufficiently clear that these services are only available in some areas of St Helier and St Peter Port and not across all, or even most parts, of Jersey or Guernsey.

John Curran, CICRA Chief Executive, said: "We have asked JT to be more precise in its advertising of what exactly its network can deliver to consumers and regrettably it has declined to do so.

"We feel it is important that we alert consumers to the concerns we have given that only 15% of JT's mobile masts in Jersey, and 11% of its mobile masts in Guernsey, offer the new service. Even some of those masts will only offer potential download speeds of 21 Mbps.

"We also understand that JT has no plans to extend the High Speed Packet Access + (HSPA + - this refers to the evolution of the first HSPA which was known as 3.5G) service beyond these masts. We are concerned that JT's advertising, by using the phrase "4G

network”, does not make it clear to consumers that the HSPA+ service coverage will be relatively limited.”

Mr Curran added that it was also important for consumers to be aware that the technology employed by JT was different to the ‘4G’ services that are likely to be offered by mobile operators in the Channel Islands once the 800 MHz and 2600 MHz spectrum was available for use.

“The HSPA+ technology being used by JT does have the potential to increase mobile broadband speeds. However, as with all mobile data technologies, the actual speeds achieved by individual users will vary considerably,” he said

The term “4G” is most commonly used to refer to LTE (Long Term Evolution) services which could offer mobile download speeds of 100 Mbps or more. CICRA is currently considering how the 800 MHz and 2600 MHz spectrum in the Channel Islands should be allocated and it is likely that some operators will use this spectrum to offer LTE services once it is available.

“The ‘4G’ label covers a wide range of mobile services and consumers should make sure that they understand the download and upload speeds being offered to them when they sign up for a new service or switch operators,” Mr Curran said.

“We understand that other licensed operators in Jersey and Guernsey have submitted complaints about JT’s advertisements to the Advertising Standards Authority (ASA) in London. It will ultimately be up to the ASA to decide whether the advertisements breach the Advertising Codes.”

ENDS

NOTES TO EDITORS:

All enquiries should be directed in writing to CICRA Chief Executive, John Curran, in Guernsey at the Office of Utility Regulation, Suites B1 & B2, Hirzel Court, St Peter Port, Guernsey GY1 2NH or in Jersey at 2nd Floor, Salisbury House, 1 - 9 Union Street, St Helier, Jersey JE2 3RF. Alternatively email info@cicra.gg.

About CICRA:

The Channel Islands Competition and Regulatory Authorities (CICRA) is the name given to the two Channel Islands regulatory authorities, the Jersey Competition Regulatory Authority (JCRA) and the Guernsey Office of Utility Regulation (OUR). A memorandum of understanding was signed in December 2010 to facilitate closer working between the two authorities. Both regulatory bodies were established in 2001. The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001 and the OUR was established under the Regulation of Utilities (Bailiwick of Guernsey) Law, 2001. In Jersey the telecoms and postal sector are

regulated by the JCRA, which is also responsible for administering and enforcing the Competition Law (Jersey) 2005. In Guernsey the telecoms, postal and electricity sector are regulated by the OUR. The aim of both authorities is to ensure that consumers receive the best value, choice and access to high quality services while Jersey has the added responsibility of promoting competition and consumer interests.