

# **MEDIACORP** *Technologies*

12 June 2007

Erwin Tan  
Competition Management Department  
Infocomm Development Authority of Singapore  
8 Temasek Boulevard  
#14-00 Suntec Tower Three  
Singapore 038988

Dear Mr Tan

## **NOTIFICATION TO LICENSEES FOR PUBLIC CONSULTATION OF PRS CODE**

1. We refer to your notice dated 9 May 2007.
2. MediaCorp Technologies is the sms aggregator for MediaCorp Group. As such, our comments will incorporate cross business units requirements, for example, MediaCorp Radio, MediaCorp News, MediaCorp Studios and MediaCorp TV. The consumption of our premium rated services differ significantly from one business unit to another due to the various business models and distribution platforms.
3. Attached is our comment for the proposed PRS code.
4. We would be available to meet up with your team to further discuss if need be.

Yours faithfully,



**Mock Pak Lum**  
Managing Director  
MediaCorp Technologies Pte Ltd

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## **Comments to the proposed PRS code**

1. **General Comment**  
Given the dynamics of technological changes, the pace of market changes and the application of interactive technology, we are seeing more and more applications and functionality being applied to traditional business fundamentals. As such, we would like to suggest re-looking and reviewing the basic tenet of the conduct of the PSP (as hereinafter defined) business by drawing a distinction between the obligations of the PSP and the obligations of the PCO (as hereinafter defined). This is especially so when in many cases, the PCO will have its own requirements and difficulties in addressing the obligations imposed on the PSP leading to the PSP requiring the PCO to similarly comply with the obligations of the PSP (please see our further comments below). Thus, we would hope that IDA would review the methods of business delivery in this new environment and re-consider the applicability of all the obligations (or how the obligations are discharged) of the PSP vis-à-vis the PCO requirements.
2. **Clause 2.2.1 & Clause 2.2.2**  
Premium Service Provider (PSP) is the conduit for premium content owners (PCO). As such, PSR will not have control or jurisdiction on the advertisements format put up by the PCO in their various advertising, marketing and promotional materials. PSP will not be able to comply with the conditions stipulated in this clause. Further, as the PCO may have its own advertisements, it is almost impossible to ensure that all terms and conditions of the PSP must be set out in the PCO advertisements and/or otherwise. We can appreciate why this requirement is necessary but the implementation of such a requirement would be near impossible from the advertising, marketing and promotional angle.
3. **Clause 2.3**  
This is potentially a highly restrictive covenant and regulation that appears to be contrary to the SPAM ACT in which case there are two sets of regulations applicable to fundamentally the same / similar types of business applications. We would strongly suggest that this Code be consistent with the SPAM ACT. Perhaps this is a concern that can be addressed from a cost point of view in the form of Clause 2.11.
4. **Clause 2.5.2**  
Sending of reminder sms prior to the end of the subscription period is costly for both the PSP and the subscribers. For every sms send by the PSP, the Telco will levy a traffic charge. For every sms received by the subscribers, there will be a sms traffic cost, in particularly, if the subscriber is overseas, the traffic cost will be higher. The reminder

sms may be seen as an intrusion service to the subscriber and not seen as being standard business practice for media subscription services. For example, for traditional media subscription services, e.g. newspaper and magazines subscriptions, it is industry practice for the subscription to be continued until such time when the subscriber requested for it to be terminated.

5. **Clause 2.10**

Billing for premium services is a commercial service provided by the Telco to the PSP via billing on behalf agreements. PSP will not have any control or jurisdiction over the billing format as this is dictated and restricted by the respective Telco's billing system. The Telco allow limited space for the services description on the bill and PSP will not be able to comply per the conditions as stipulated in this clause.

Notwithstanding the above, we would like to propose that for clause 2.10.3 (a), the bill should reflect the name of the PCO instead of PSP as this is a billing for content consumption. Again, this is an issue that is prevalent on the PSP / PCO arrangement.

6. **Clause 2.12**

PSP has no control or jurisdiction over the actions of its billing on behalf agent, which, in this context, will be the Telco in which case, it is extremely difficult to impose this requirement on the PSP when the implementation of the operations here is on the Telco.

7. **Clause 2.14**

The conditions stipulated are covered under the Spamming Act; it will be confusing for subscribers and the industry to have conflicting regulations. Notwithstanding, we would also seek clarity on the meaning of provision of express consent and suggest that the consent may be obtained in the same manner in which consent may be obtained under the SPAM ACT.