



Office of the Director of
**Telecommunications
Regulation**

MEDIA RELEASE

March 7th 2002

ODTR publishes initial results in a new report that measures performance of operators in the fixed line business

The ODTR, today, (Thursday, March 7th 2002) announced the publication of initial data from the Measuring Licensed Operator Performance (MLOP) programme. This publication is intended as the first in a series of quarterly reports on performance. It presents quality of service indicators for some of the major fixed line operators during the period July to September 2001.

The performance measures covered include:-

- order completion and fault clearance for consumer markets,
- provision of public payphone services by *eircom*
- supply of regulated services from the operator with Significant Market Power (*eircom*) in the fixed services and networks markets to Other Licensed Operators.

The cross-company comparisons in this initial report need to be reviewed carefully against the definitions given the difference in size and service promises by the various operators. Future reports will be expanded to include other indicators such as operators' performance in handling complaints. This initial publication is based on independently audited data which has been provided by the industry and then audited by comparability auditor, jointly appointed by the ODTR and the industry. The comparability auditor has sought to ensure the

meaningfulness of the data given that many of the companies involved initially used a range of different metrics to measure their respective performances.

Commenting on the report, the Regulator, Etain Doyle thanked the industry for their active participation in this project. “This is one of a series of regulatory measures we have promoted to help ensure that consumers have a greater visibility of the quality of service being delivered. It is vital for the future of the industry that quality of service is attributed the importance it deserves. As the report develops further in terms of the consistency of approach and the range of areas being measured I expect that comparisons from one report to the next will be particularly revealing with respect to individual operator’s service quality performance.”

She continued “The principal benefit of this programme is that information is made available to consumers that can assist them when making informed choices concerning their fixed line operator. In the longer term the programme should stimulate greater competition in service quality among the operators, thereby leading to further improvements in performance.”

Data has been collected by 8 of the main fixed line telephony providers in the Irish market, namely Cable and Wireless, Chorus, eircom plc, Esat Telecommunications Ltd, Nevada tele.com, Ntl, Ventelo and WorldCom

It should be noted that certain operators collect more measures than other operators. This occurs when the size of their business exceeds pre-defined thresholds.

Result Highlights:

When comparing results readers should take operator size, promise time, coverage, target market and supplier relationship into consideration.

Direct Access: eircom, esat, ntl.

The results for the period from July to September 2001 indicated that consumers could expect direct access operators to

- **complete** from 74% to 94% of business direct access **orders** and from 78% to 92% of residential direct access orders within the time promised to the customer by the operator.
- **clear** from 76% to 78% of business direct access **faults** and from 67% to 75% of residential direct access faults by the time the operator promised

Indirect Access: esat, ntl, Ventelo, WorldCom

The results for the period from July to September 2001 indicated that consumers could expect indirect access operators to

- **complete** from 60% to 100% of business indirect access **orders** and from 95% to 100% of residential indirect access orders by the time the operator promised
- **clear** from 83% to 95% of business indirect access **faults** and from 48% to 74% of residential indirect access faults by the time the operator promised.

This programme is part of ongoing measures introduced by the ODTR to address service quality and delivery issues. If consumers are to get the level of Quality of Service they want and need, operators need to have effective arrangements for orders, installation, repairs, billing complain handling etc. The ODTR has already introduced a number of initiatives to encourage a pro-active and effective approach to quality of service. These include

- Service Level Agreements
- Codes of Conduct for Handling Consumer Complaints
- Ongoing Consumer Market research
- Quarterly market reviews

The full report is available on the ODTR website www.odtr.ie “ODTR 02/23 Measuring Licensed Operator Performance Programme – Issue 1: July – September 2001.”

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Notes to Editors

Background

Over the last two years, the ODTR has been consulting and working with the telecommunications industry to agree a framework for measuring the quality of service performance by the fixed line telecommunication operators to their customers. In order to achieve this, the ODTR set up the MLOP Industry Forum, which has been meeting on a regular basis since the beginning of 2000 and has defined the measures used in this report and the process by which the measures are collected and published.

Consumer markets Addressed in this report

The report measures separately for two categories of consumers

- Business Consumers
- Residential Consumers

Other Markets addressed in this report

This report also presents the service performance results of

- Public payphone services provided by *eircom*
- The supply of regulated services from the SMP operator in the fixed services and network markets (*eircom*) to other licensed operators (OLO's)

Reporting thresholds

Certain operators collect more measures than other operators. This occurs when the size of their business exceeds pre-defined thresholds

| Service Offered | Threshold for Reporting |
|---------------------------|--|
| Direct access telephony | 2,500 channels in specific market (e.g. business or residential) |
| Indirect access telephony | From first year where annual revenues exceed Ir£1m from indirect access services |
| National leased lines | 500 digital leased lines |

How to use this information in evaluating fixed telecommunications providers?

The MLOP publication informs consumers of an operator's recent quality of service performance results. In evaluating telecommunications providers consumers may use these results in combination with other relevant information such as

- *Size:* Operators measured in the report vary considerably ranging from the large well-established operators to new market entrants who may be significantly smaller.
- *Operator promise Times:* when completing an order or clearing a fault, operators may differentiate themselves from their competitors by applying different target promise times. Some operators may have aggressive target promise times while others are more extended.
- *Coverage:* The geographic of each operator may vary. Some operators have local coverage whilst others have regional, national or international coverage.
- *Target Market:* Operators may target different segments of the market from households to multinational corporate customers and provide a level of service corresponding to their requirements.
- *Supplier Relationship:* The structure of the telecommunications market is such that some licensed operators may have a degree of dependence on other operators, in particular those with Significant Market Power who act as their supplier of wholesale telecommunications services.