

Case Reference	R/E/I/014
Title	“Only \$38 for Unlimited, Dedicated Broadband Access” Advertisement by SingNet Pte Ltd
Case Opened	20 March 2002
Case Closed	6 May 2002
Complainant	Singapore Cable Vision Ltd (“SCV”)
Respondent	SingNet Pte Ltd (“SingNet”)
Case Summary	<p>SCV alleged that SingNet had breached Section 7.4.1 “False or Misleading Claims” of the Telecom Competition Code (“Code”) in the following ways:</p> <ul style="list-style-type: none"> a) SingNet’s advertisement had indicated SingNet’s access speeds of 256kbps and 512kbps but not SCV’s access speed of up to 1.5Mbps, thus not providing a fair and objective comparison of the two services. By then mentioning that cable modem speed was “slow” in a shared environment while SingNet’s access speed was “fast” with dedicated access, it gave an impression that SingNet’s service was better than SCV’s. b) SingNet’s advertisement thus created a distorted price comparison of the two services as SingNet was comparing SCV’s 1.5Mbps service with SingNet’s 256kbps service. c) SingNet’s repetition of such misleading advertisements had damaged SCV’s image.
IDA’s Determination	<p>IDA determined that SingNet’s use of the term “fast” used to describe both services under a single end-user scenario was likely to lead end-users to treat both services as equivalent in terms of access speeds/bandwidth which may not be the case. SCV could potentially offer access speeds of up to 1.5Mbps access speed whereas SingNet’s broadband access plan used under its price comparison in its advertisement was up to 256kbps. Such differences in access speeds between two access platforms should be properly presented for comparison purposes and not simply be described as “fast” in SingNet’s advertisement. As such, the price and quality comparison made by SingNet in its advertisement without key information on the access speeds/bandwidth of the cable modem service in the advertisement did not provide a fair and objective comparison of the two services.</p> <p>IDA concluded that SingNet had breached Section 7.4.1 of the Code as the advertisement had made claims and/or suggestions regarding the price and quality of its telecommunication services and that of another licensee that was reasonably likely to confuse or mislead end-users, thereby likely to restrict competition in the Singapore telecommunication market. SingNet was ordered to cease and desist the advertisement and IDA imposed a financial penalty of S\$2,000 on SingNet.</p>

