

Case Reference	R/E/I/017
Title	SingTel's Comments on StarHub Mobile's Free IDD 018 Calls to Malaysia in the Straits Times on 8 February 2002
Case Opened	8 February 2002
Case Closed	27 August 2002
Complainant	StarHub Pte Ltd ("StarHub")
Respondent	Singapore Telecommunications Ltd ("SingTel")
Case Summary	<p>StarHub alleged that SingTel had breached Section 7.4.1 "False or Misleading Claims" of the Telecom Competition Code ("Code") by making the following comment in the Straits Times on 8 February 2002 in response to StarHub Mobile's IDD 018 promotion to Malaysia:</p> <p>"We don't think that such a scheme is viable and sustainable for any mobile operator. There are bound to be some compromises, such as network quality and coverage."</p> <p>StarHub alleged that SingTel's comment was unwarranted and unfounded. The quality of service for StarHub Mobile's offer of free IDD 018 calls to Malaysia was no different from that enjoyed by all IDD 018 users. There was also no issue of coverage related to this offer, based on IDA's drive test results that StarHub Mobile surpassed IDA's QoS requirements for coverage. StarHub alleged that SingTel's comment was to create doubt over StarHub Mobile's offer as well as StarHub's and StarHub Mobile's services in general. Thus, SingTel had knowingly made a statement that was unrelated to the issues at hand and had tried to mislead and confuse end-users.</p>
IDA's Determination	<p>IDA determined that SingTel's comment was a genuine statement of opinion made in response to a press query on StarHub's promotion. It expressed a belief rather than implying specific knowledge of facts regarding StarHub's costs or capacities and the belief was made based on its own experience in the mobile services. SingTel had not withheld critical information from consumers nor had it coerced captive customers or exercise undue influence over a class of susceptible customers. IDA believed that a consumer would not reasonably be deterred from using StarHub's service especially given StarHub's statement refuting SingTel's belief in the same article. IDA had not received any further evidence that the competition process in the mobile and/or the international call services markets had been or are likely to be distorted by SingTel's comments.</p> <p>IDA concluded that SingTel did not breach Section 7.4.1 of the Code.</p> <p>Notwithstanding IDA's findings, IDA warned SingTel that it must exercise greater sensitivity and care in making any public comments to avoid any potential misunderstanding or confusion from the operators and consumers. IDA will not tolerate any public statement that, in IDA's opinion, may potentially distort the proper functioning of a competitive market, hence restrict (or likely to restrict) existing competition.</p>