

Case Reference	R/E/I/019
Title	SingTel's Direct Mail on V019 Rates to Malaysia, "Are You Really Paying Lowest Rates for Calls to Malaysia?"
Case Opened	14 May 2002
Case Closed	27 September 2002
Complainant	StarHub Pte Ltd ("StarHub")
Respondent	Singapore Telecommunication Ltd ("SingTel")
Case Summary	<p>In April 2002, SingTel sent a direct mailer to its customers comparing the international call rates to Malaysia using SingTel's V019, M1's 021 and StarHub's 018 services.</p> <p>StarHub alleged that SingTel did not make a fair comparison, as mobile airtime charges were included in StarHub's 018 service but not in M1's 021 and SingTel's V019 services for comparison. Certain description in the direct mailer on the rates were also misleading. Starhub therefore alleged that SingTel has breached Section 7.4.1 "False or Misleading Claim" and Section 7.4.4 "Interference with End User or Supplier Relationships" of the Telecom Competition Code ("Code").</p>
IDA's Determination	<p>IDA determined that SingTel has made an unequal comparison in the direct mailer. SingTel's comparison made StarHub's 018 service appear less competitive in comparison with SingTel's V019 service and is reasonably likely to confuse or mislead End Users. This has the likely effect of restricting competition for reasons unrelated to the actual availability, price or quality of the respective services. IDA therefore determined that SingTel has breached Section 7.4.1 of the Code. IDA has warned SingTel against any similar breach of the Code in the future.</p> <p>As for the alleged breach of Section 7.4.4 of the Code, there was inconclusive evidence to find SingTel in breach of the Code. StarHub failed to establish how SingTel had induced End Users to cease doing business with StarHub as a result of the direct mailer.</p>