

Case Reference	R/E/I/028
Title	Singapore Telecom Mobile Pte Ltd's advertisement "From North to South, East to West, SingTel Mobile Covers You Best" on 18 November 2002 in the Straits Times (the "Advertisement")
Case Opened	31 December 2002
Case Closed	06 May 2003
Complainant	StarHub Mobile Pte Ltd ("StarHub Mobile")
Respondent	Singapore Telecom Mobile Pte Ltd ("SingTel Mobile")
Case Summary	StarHub Mobile submitted that SingTel Mobile had infringed Section 7.4.1 of the Telecom Competition Code (the "Code") by publishing the Advertisement. Specifically, StarHub Mobile alleged that SingTel Mobile's claim of having "0% - Lowest Drop Call Rate" was misleading to End Users as SingTel Mobile was not the only operator who had achieved 0% for that indicator. StarHub Mobile had also achieved the same result of 0% for Drop Call Rate under IDA Quality of Service report on Cellular Network Performance Measurement System for April – June 2002.
IDA's Determination	<p>IDA is of the view that the general rule for use of comparative word like "lowest" depends on the context. If a specific claim like "lowest drop call rate" is made, it has to be substantiated.</p> <p>The claim made by SingTel Mobile in the Advertisement was a specific claim on drop call rate. Therefore, SingTel Mobile can only claim to have the lowest drop call rate if it is the only mobile operator that has achieved the stated performance. Whilst IDA noted SingTel Mobile's explanation that the results quoted in the Advertisement were based on SingTel Mobile's GSM 900 services obtained under IDA Quality of Service report on Cellular Network Performance Measurement System for April – June 2002, IDA has</p>

assessed that SingTel Mobile did not make clear whether the statement of “lowest drop call” was made after comparing across all GSM 900 and GSM 1800 networks (including networks of competing operators) or only amongst GSM 900 networks in Singapore. Hence, IDA determines that it is likely that an End User might be misled by the Advertisement into thinking that SingTel Mobile had the lowest drop call rate amongst all GSM 900 and GSM 1800 networks in Singapore.

IDA thus determines that SingTel Mobile’s claim of having “0% - Lowest Drop Call Rate” in the Advertisement is likely to mislead End Users and thereby likely to have the effect of restricting competition in the mobile phone market. IDA is therefore satisfied that SingTel Mobile has contravened Section 7.4.1 of the Code.

In determining the appropriate financial penalty to impose on SingTel Mobile, IDA took into consideration the fact that this was the second contravention by SingTel Mobile of Section 7.4.1 of the Code within a short two-month period. On 24 January 2003, IDA imposed a financial penalty of S\$5,000 on SingTel Mobile for its contravention of Section 7.4.1 of the Code in relation to SingTel Mobile’s advertisements published on 16 and 21 October 2002.

In the circumstances, IDA has ordered SingTel Mobile to cease and desist from publishing similar advertisements and has imposed a financial penalty of S\$15,000 on SingTel Mobile.