

<b>Case Reference</b>	R/E/I/044
<b>Title</b>	Mtouche's Charges for Unsolicited SMS Messages
<b>Case Opened</b>	24 June 2004
<b>Case Closed</b>	7 September 2004
<b>Complainant</b>	IDA initiated enforcement proceedings on its own accord.
<b>Respondent</b>	Mtouche Pte Ltd ("Mtouche")
<b>Case Summary</b>	<p>Between December 2003 and February 2004, IDA received consumer complaints against the SMS Chat Service operated by Mtouche. They alleged that they were billed for unsolicited SMS messages that were sent to them from the short code 77333, which belonged to Mtouche.</p> <p>Following the above-mentioned complaints, IDA conducted an investigation on Mtouche and found that when a mobile user sends a blank text to Mtouche's short code 77333, the mobile user would automatically be registered as a user of Mtouche's SMS Chat service. Many messages would be sent to the user throughout the day, inviting the user to chat. The user would be billed for the SMS sent and received. Mtouche subsequently acknowledged that it discovered a system fault whereby End Users would be registered when they respond with a blank message, and upon IDA's notification, the fault had been rectified since February 2004.</p>
<b>IDA's Determination</b>	<p>IDA concluded that Mtouche had breached Section 3.2.2.5 of the Telecom Competition Code ("Code") by charging its End Users for unsolicited telecommunication services. A financial penalty of \$1,000 was imposed on Mtouche upon consideration of the following aggravating and mitigating factors:</p> <p>(a) Mtouche's failure to ensure the accuracy of its registration system, which is a very fundamental requirement for service provisioning. IDA's investigation revealed that more than 50 End Users have lodged a complaint between December 2003</p>

	<p>and March 2004 against Mtouche, either on disputes in relation to charges for SMS chat services that were not used or on receipt of unwanted SMS.</p> <p>(b) Mtouche has taken steps to resolve complaints by End Users by waiving the disputed charges, arising from its technical fault in the system.</p>
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