

Annex 1

Case Reference	R/E/I/045
Title	SCV's Advertisement - "Only Maxonline Lets You Stay Connected With Unlimited Broadband Access That's Ideal for Home Networking"; "Only Maxonline Lets You Stay Connected With An Unlimited Broadband Experience That's Easy To Enjoy"
Case Opened	26 July 2004
Case Closed	14 September 2004
Complainant	SingNet Pte Ltd ("SingNet")
Respondent	StarHub Cable Vision Ltd ("SCV")
Case Summary	<p>SingNet alleged that SCV's advertisements dated 12 February, 10, 11 and 17 March 2004 had breached Section 7.4.1 of the Telecom Competition Code ("Code"). SingNet alleged that SCV's claims in the above advertisements were inaccurate and misleading to End Users as they suggested that:</p> <ul style="list-style-type: none">(a) SCV's Maxonline was the "only" broadband service that provides End Users with home networking capabilities;(b) SCV's Maxonline was the "only" broadband service that provides End Users with unlimited broadband access or experience; and(c) StarHub was the service provider of Maxonline service, when in fact, it was an SCV's service <p>SCV, in response, explained that the taglines in the alleged advertisements should be read and interpreted in its entirety and not in a selective manner. SCV argued that the words "<i>unlimited broadband</i>" should be read together with "<i>...That's Ideal for Home Networking</i>" and "<i>...That's Easy to Enjoy</i>" within the same taglines. SCV then cited various set-up features and conveniences such as "user-friendly plug-and-play"; service access speed and features; and pricing and promotion offer features in support of its claims.</p>

<p>IDA's Determination</p>	<p>IDA assessed SingNet's request and viewed that the taglines should be read in totality. The word "only" in plain English is taken to mean "with no others in the same group or of the same type" or "the best" or "with no one or nothing else added or included". However, phrases like "ideal for home networking" and "easy to enjoy" were general claims and hence would be open to interpretation by End Users depending on individual End User's experience. On balance, IDA assessed that the abovementioned taglines in SCV's advertisements, when read in totality, were general in nature.</p> <p>On SingNet's allegation that the press advertisements would likely confuse and mislead End Users into believing that StarHub, instead of SCV, was the service provider of Maxonline service, IDA noted that StarHub and its subsidiaries have chosen to advertise their services using the same StarHub logo and usually would bold the word "Online" when advertising cable modem broadband related services. IDA noted that it was common for industry players to advertise services provided by their subsidiaries using the same company group logo. IDA has no objection to such a branding approach for advertising and marketing purposes so long as End Users are clearly informed, in the marketing/ advertising materials or in the service terms and conditions, of the service provider before service subscription.</p> <p>IDA concluded that SCV's advertisements were not likely to have the effect of misleading or confusing End Users and were not likely to unreasonably restrict competition.</p> <p>IDA therefore concluded that SCV has not breached Section 7.4.1 of the Code in respect of the abovementioned advertisements and rejected SingNet's request for enforcement against SCV.</p> <p>Nevertheless, to avoid unnecessary misunderstanding amongst industry players, IDA had advised SCV to refrain from using the word "only" in making similar marketing claims. IDA believed that similar promotion and marketing effects could be achieved without using the word "only".</p>
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