

# Communicate

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## Consumers are our lifeblood...

Over 20 million people use BT to communicate from home. We strive to keep those customers happy, offer them first class service at competitive prices, be responsive to their needs, and be thinking constantly of ways we can improve our service to them.

An important element in helping customers get the best deal is ensuring that pricing information is straightforward, easy to understand, and that other factors like quality of service can also be taken into account. A number of companies provide comparisons between suppliers and advise on where to get the best deals. BT has always believed that impartial, transparent advice will enable consumers to make informed choices.

However, we think there are problems with some advice consumers are receiving. uSwitch is one of the major companies offering comparisons in areas like credit cards and energy. In the communications sector, uSwitch is the only company accredited by Ofcom. We believe uSwitch receives high commission payments from companies benefiting from customers switching through their site – but this isn't made clear to customers. We've called for this to change. Recent reports have stated they have asked for significant sums of money for advertising on their website from companies that have, until now, been amongst those they have been advising

consumers to leave. The impression given is that taking advertising could lead to a more favourable editorial approach. This would not be acceptable. Ofcom is currently consulting upon the future of its accreditation scheme.

Information given to consumers should also be accurate. uSwitch's claim that the average customer could save £120 by leaving BT is baffling, given that nearly 60% of our customers spend less than that in a year. However, the model is not transparent so we have no way of knowing how this is worked out. This is incompatible with a dynamic and transparent competitive market.

### Service to everyone

As well as 20 million residential customers, we have the potential to provide service to anyone, anywhere in the UK. Our Universal Service Obligations have been reviewed recently by Ofcom. Whilst UK prices are amongst the lowest in the world, Ofcom has agreed that, from 2007, we can introduce a new scheme to focus help on low users most needing support, replacing our existing low

In this issue the focus is on our customers: how we continue to work to ensure they are protected as they enjoy the benefits of advancing communications; the work our Age and Disability Team carry out to ensure that our older and disabled customers enjoy the benefits of new technologies; and how plans are progressing to roll out our 21st Century Network which will underpin future communication services for every home and business across the UK.

We hope that *Communicate* is of interest to you, and that it helps keep you informed about BT, our strategy and objectives, and the main issues affecting our customers today. We value your feedback, and we would be grateful if you could take some time to answer the questions in the enclosed questionnaire, to help us make sure



**Tim O'Sullivan**  
Director of  
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that it continues to be of value to you. We will donate £5 to Childline – a charity BT has supported since its inception – for every questionnaire returned.

user schemes that inadvertently captured many customers who have no trouble affording a phone.

We have consulted widely and carefully, including working with the Department for Work and Pensions, and now all consumers in receipt of income support, income based jobseekers allowance or pension credit will be eligible. We have improved the scheme in a number of areas including offering 20 minutes of free local or national calls each quarter, and less than half price line rental (£14.50 a quarter, which reduces further to £11.50 if paid by automated direct debit or monthly payment plan).

Overall, the scheme is designed to give customers the budgetary certainty that consumer groups have said is most important.

# Current issues for customers

## Protecting customers... just one of the things we do

It is a sad fact of life that BT and other companies need to spend so much time and effort in devising ways to protect their customers, and their information, from fraudsters and pranksters. It seems inevitable that whatever new services or capabilities are introduced in communications, there are people who will spend their time and effort trying to find ways of using those possibilities in ways designed to defraud, or at least irritate, genuine customers.

In previous editions of *Communicate* we have talked about BT Privacy as a means of protecting against unwanted telephone calls. We have also explained how we have had to warn customers about potential internet dialler problems. Our work in these areas continues. But 'security' in communications is a much bigger topic than that. And it is security on the internet that presents the biggest issues. With something like 24 million people using the

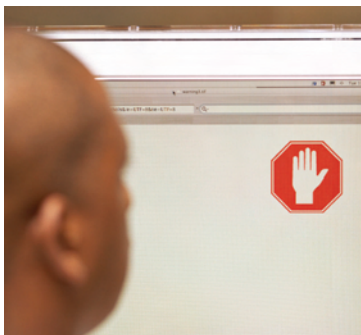
internet from home in December 2005, according to research company Nielsen/Net Ratings, the attractions for those who wish to cause mischief, or worse, are clear.

The most obvious ways to protect ourselves when on the internet are with firewalls, anti-virus and spyware

software. All of these are available from a variety of sources, including Internet Service Providers. Then there is advice available on how to spot and avoid being caught by 'phishing' e-mails or e-mails apparently offering good deals, amazing returns, cash and so on – all if you provide bank details or the like. It may be obvious to most people that anything that seems to be too good to be true probably is, but an amazing number of people still seem willing to suspend their disbelief in the face of such 'opportunities'.

Protection of children on the internet is crucial. It is so easy to forget that the apparently genuine people on the other end of the line may be anything but that. We provide a wide range of Parental Controls, including offering parents the chance to monitor their child's online activity, including chatrooms, sites where access has been attempted, and details of e-mail contacts.

The latest issue causing real concern is that of 'identity theft' – a crime that involves one person stealing the identity of another to obtain mortgages, loans, credit cards, goods and services in the name of an innocent victim. It is estimated that one in four people in the UK has either been a victim of identity theft or knows someone who has. Recognising the growing concern, BT has launched two new services in this area. BT Identity Support comes as standard with most BT Broadband packages, and provides advice and support for customers on preventing, detecting and resolving identity theft. BT Identity Protection provides one of the most comprehensive online insurance and advice packages available. For further information please go to [www.bt.com/btidentityprotection](http://www.bt.com/btidentityprotection).



## Innovation from BT BT Movio – the first combined mobile TV and radio service in Europe

Following extensive consumer trials, BT Movio will be the first combined mobile TV and radio service in Europe when it launches through Virgin Mobile, later this year. Virgin Mobile will offer its customers digital TV and radio content on a mobile device using the existing Digital Audio Broadcasting (DAB) network. The service will enable Virgin Mobile customers to listen to the UK's 350 DAB digital radio stations, watch a package of TV channels and interact via a familiar 'red button', using a specially developed mobile phone.

The BT Movio service will provide a significant boost to the UK's world leading DAB digital radio industry. By combining a digital radio receiver with a

mobile phone, radio stations will be able to develop a two-way relationship with their audiences and launch innovative new services. The service will be offered on a wholesale basis by BT, so that any mobile operator can share the benefits of this scarce spectrum. BT's platform, based on an open standard (DAB-IP), is compatible with other service technologies.

In order to satisfy demand for more TV channel choice in the future, BT Movio is engaged with Ofcom and the Department for Culture, Media and Sport, to relax relevant regulatory restrictions in the Broadcasting Act on the percentage of data that can be used to carry TV over the DAB network. Current Broadcasting Act



regulations only allow up to 20% of the existing DAB capacity to be used for TV (or any other non-audio uses). This would provide for 3 TV channels, but our trials demonstrate that customers demand a minimum of 5 channels, ideally including a mixture of news, sport, music and entertainment. BT Movio is also providing input to Ofcom on how spectrum might be used following the digital dividend, when analogue TV signals are switched off in 2012.

# A network fit for the 21st century

Previous editions of *Communicate* have talked about BT investing £10 billion in its 21st Century Network (21CN), to provide a modern communications infrastructure across the UK. BT's existing complex network and systems infrastructures will be replaced by one new network, to ensure the delivery of services faster, more efficiently and more cost-effectively than before.

Tomorrow's consumer will be accessing video libraries, viewing time-shifted TV, sharing family photos and videos, choosing and buying a multitude of products and services online whilst watching the plasma screen on their lounge wall, video calling with friends and relatives around the world... and enjoying other services as yet unknown. All these and more will be possible using 21CN technology.

Small businesses will be able to use many of the same services, as well as doing things such as developing their electronic business through secure payments, ever better web activities, data sharing and new revenue streams. 21CN will be the backbone on which these services will develop.

21CN will underpin future communications services for every home and business across the UK. It will be a vital part of the UK's future ability to compete on the world stage, particularly against the fast developing economies of China and India. UK companies need the best infrastructures within which to develop their futures.

The future starts now, of course. BT has been talking about 21CN for a while and considerable progress has been made: we have created a major industry engagement programme called Consult21, signed significant contracts with suppliers, carried 14 million customer calls over a trial network, and are working on an industry-agreed indicative rollout plan, which will be in place later this year.

Paul Reynolds, BT Wholesale's chief executive, stresses the challenge in rolling out 21CN across the UK.

"Delivering 21CN requires BT to replace equipment infrastructure in telephone exchanges nationwide. We are aiming to switch all BT's customers, and customers of other services providers who use the BT national network, by the end of the decade. That means switching some 30 million lines – about 20 million customer connections – onto the new



infrastructure while integrating new systems to ensure products and services work efficiently and effectively," said Paul.

The first phase of customer migration to 21CN will happen around November this year in Cardiff and the surrounding area, chosen primarily because of its impressive track record in inward investment and advanced communications and information technology. The area's demographics are also representative of the UK market and critically, BT Wholesale's customer base of other network operators and communications providers.

While major centres of population will be prioritised in order to achieve the cost efficiencies offered by 21CN on core network routes, groups of rural exchanges served via a bigger exchange will be simultaneously switched to 21CN. For example, small Lake District communities will be connected in the same phase as the city of Carlisle; and rural Somerset communities will be connected in the same phase as parts of central Bristol.

21CN will put the UK at the forefront of communications innovation world-wide. The availability of advanced, secure communications will provide UK consumers and businesses with everything they need from communications to be successful in the world of tomorrow.

If you would like to learn more about 21CN please see the contact details on page 4 or visit our web site at: [www.btplc.com/21CN](http://www.btplc.com/21CN)

## Did you know...

Customers can now register for BT Vision – our national next generation TV service to be launched in the Autumn – at [www.bt.com/btvision](http://www.bt.com/btvision)

# BT Age & Disability Action

## Our commitment to older and disabled customers

BT has a long tradition of providing products for older and disabled people, and our Age & Disability Action Team works passionately in the interests of these customers. From telephones with voice prompts to help visually impaired users, the development of BT TextDirect for textphone users, to accessible on-line services, we make it a priority to increase older and disabled people's opportunities to communicate with the world around them.

### Awareness

One of the key roles for the team is raising awareness of BT's inclusive products and services. They assist our Customer Service teams in providing straightforward advice to older and disabled customers, to help them select the best BT product for their individual needs. As well as offering telephone advice, we run a unique outreach service providing customers with community based information on BT's products and services. For example, in partnership with many age and disability related organisations across the UK, we have supplied telephone equipment to resource centres, where customers can take their time to see and handle telephone equipment before making their final choice.

### Consultation

Part of the reason we have developed an excellent reputation for our inclusive products – from our Big Button range of phones to our accessible websites – is that we believe in consulting with disabled people and their representatives to ensure their needs are being met in the development of new products and services.

Our Age & Disability Action Team manages partnerships with healthcare professionals across the UK including social workers, occupational therapists, audiologists and charity workers. This service provides a forum for professionals to let us know their clients' communication needs. We also benefit from a wealth of knowledge from BT employees who have an interest in disability, and have set up a user panel of BT people to help us evaluate new products and services.

We also realise that product development is not just about phones, and our Age and Disability Action Team works with product managers across BT to raise awareness of the importance of inclusive design from billing to broadband.

### New technologies

As well as continuing to promote the benefits of traditional telephony, we strongly believe that new technologies can enhance the lives of our older and disabled customers. Last month saw the re-launch of BT's Age & Disability Action Website. Designed to the highest standards of accessibility, the new site provides easy to understand information about traditional and new wave technologies like broadband.

Broadband technology is delivering a revolution for deaf people, as high speed internet coupled with the use of web-cams and video streaming now allows British Sign Language (BSL) users to communicate via the internet, regardless of their location. But many BSL users don't know about the benefits that this technology offers them, as only written broadband guides have been made available. This is why we recently launched



a campaign in BSL to raise awareness of the benefits of broadband technology for deaf people. This is the first time a corporate organisation has run a commercial internet campaign in sign language. To view the guide and to find out more about the work that we do in this area, please visit

[http://www.btplc.com/age\\_disability/](http://www.btplc.com/age_disability/)

## More than a phone company...

**BT is more than just a major player in the UK – it is a global IT and network services company. Recent successes in winning global contracts include:**

- a multi-million euro contract over five years with Dutch-based Friesland Bank to design and deliver internet banking for the bank's private customers.
- a contract to improve the exchange of information between hospitals, outpatient clinics and general practitioners with consortia representing three of the least developed regions of Hungary.
- a round-the-clock, speech-driven data capture service provided by BT and Eckoh Technologies to enable poultry owners to register their details with the Department for Environment, Food and Rural Affairs, helping to boost government and industry ability to tackle effectively an outbreak of avian flu.
- a contract to provide The Royal Cornwall Hospitals NHS Trust in Truro with an innovative new communications system (called BT Managed Vocera), which allows hospital staff to contact each other instantly anywhere in the hospital through a voice activated, wearable badge.

### How to contact us

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If you have an enquiry about your own home or business lines including new orders, please call the Parliamentary Helpline on 0800 200 789 (Monday – Friday 8.00am – 5.00pm)

[www.bt.com/public-affairs](http://www.bt.com/public-affairs)

