

Communications Essentials Customer Service Excellence

Regulatory challenges and solutions

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Introduction

- Is customer excellence compatible with regulatory compliance?
- Numerous requirements imposed by regulation
 - To give customers information
 - Advertising and selling practices
 - 3rd party arrangements
- Deregulation agenda removing some requirements
- How to achieve both customer excellence and compliance

The vision and the reality

... for the new product I want 1-page of t&cs max. No legalese. Our customers want things short and sweet.

Marketing exec

The privacy terms might fit on one page, but then we have the TCP Code content and fees, refund, cancellation and variation terms plus ...

Legal and compliance



Information requirements – What

Requirement	Reason
Various on products and terms	TCP Code
Limitations and qualifications	ACL misleading conduct
Statutory remedies	ACL consumer guarantee remedies
Specific offer requirements	Eg, ACL minimum total price
Details about warranties	ACL warranty against defects
Details about repairs	ACL repairs requirements
Summary of agreement	Telco Act Determination for SFOA (up for repeal)
Personal information	Privacy Act
Marketing opt-outs	SPAM Act and Privacy Act
Terms can't be unfair	ACL unfair terms (extension to B2B?)
Terms of supply	To identify contract terms
Service-specific matters	Needed for that supply / 3 rd party reqt

Information requirements – How

Requirement	Reason
Contract terms to be transparent <ul style="list-style-type: none">- reasonably plain language- legible- presented clearly- readily available	ACL unfair terms
Display important limitations with sufficient prominence near claim	ACL misleading conduct cases
<ul style="list-style-type: none">- Use suitable clear language- Timing for when provide various pieces of information	TCP Code
Give mandatory warranty against defects statement at or about time of supply	ACL requirement
Give mandatory notice when accepting goods for repair	ACL require notice requirements

Information requirements – TCP Code examples

Example	Specifics
Critical Information Summary (4.1.2)	<ul style="list-style-type: none">- Must include specified content- Content must be in specified order- Must use specified sub-headings- Must be a separate document to full t&cs- Must be accessible and provided as specified- Must be comprehensible / plain English- 2 pages A4 max length
Make available other relevant information about product in a readily accessible way (4.1.3)	Address product description, manufacturer, technical information, billing and payments, usage, warranties, post-sales support, mobile coverage, international roaming, resellers
Dos and don'ts for advertising content (4.2.1)	<ul style="list-style-type: none">- Do include anything important in the ad- Don't do anything in the 13 listed don'ts

Non compliance consequences

- Formal warnings and directions to comply
- Infringement notices
- Penalties
- Damages
- Court enforceable undertakings
- Exercise of audit powers
- Public statement orders
- and ... reputational consequences of the above



Deregulation agenda

- Federal government is looking at reducing red-tape
 - Opportunity to remove unnecessary or duplicating regulation
 - Only a few proposed changes
 - would reduce customer information requirements
 - will have general impact to telco providers
- Code projects to remove duplication and consolidate requirements

CHECKLIST



Deregulation targets

Omnibus Repeal Day (Autumn 2014) Bill 2014

- Remove SFOA requirements - addressed in TCP Code
- Other changes not directed at customer information requirements

Current status

- Referred 27 March to Senate Finance and Public Administration Legislation Committee
- Committee recommended to pass Bill

Other deregulation targets

Telecommunications Deregulation Bill No 1 2014 Consultation Paper

- Pre-selection
- Confidentiality of telecommunications
- Part 9A of the *Telecommunications (Consumer Protection and Service Standards) Act 1999*
- Customer Service Guarantee information obligations
- Priority Assistance
- Retail Price Controls
- Local presence plan

New regulation?

- Extension of unfair terms protections to B2B?
 - Treasury 23 May paper on Extending Unfair Contract Term Protections to Small Businesses
 - Submissions due 1 August
- Franchising Code changes
 - Being drafted

Customer excellence with
compliance

Remove legalese

Objective

- Clear friendly terms

Compliance tools

- ACL unfair terms and TCP Code consistent with objective

Compliance challenges

- Keeping content short while including minimum content
- Planning for future changes

We want customers to trust us

Objective

- Customers see provider as honest and upfront

Compliance tools

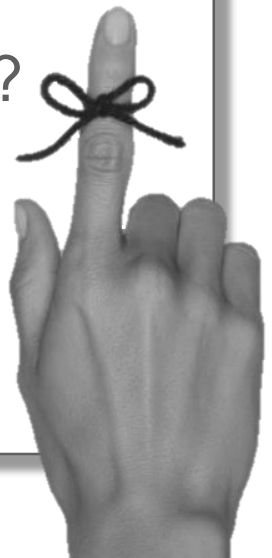
- ACL misleading conduct, consumer guarantees, unfair terms
- TCP Code

Compliance challenges

- Battle of disclaimers against what provider wishes to promote
- Keeping content short

Drafting tips – Structure

- Plan where content is best placed
 - Logical order supports transparency
 - Good structure assists to
 - Simplify
 - Omit unnecessary terms and documents
 - Can structure easily support making changes?
- Include compliance issues in plan

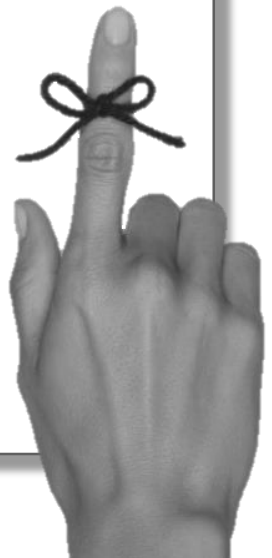


Addressing compliance issues

- Identify compliance issues early
 - Give yourself the best chance to address compliance your way ... rather than a last minute clumsy band aid solution
- Revisit compliance as the approach changes
- Check the better customer experience does not
 - Accidentally exclude customer rights
 - Eg by excluding ACL consumer guarantee remedies
 - Require a licence / trigger additional compliance burdens

Drafting tips – Language

- Be consistent in terms use – don't mix it up!
 - Eg, pick 1 of “If you wish to **cancel**, **terminate**, **suspend**.”
- Consistent language helps to keep content short
- Say something only once
 - Or if you have to say it again, say it the same way
- Do all documents (including scripts) work together?
 - Application form, t&cs, customer acknowledgement
- Consider applying a house style



Drafting tips – Content

- Challenge odd and onerous terms
- Challenge the need for terms
- Terms that are fairer present better

“If you damage the device you agree to pay our reasonable repair costs”

is much better than

“You indemnify release and hold harmless us and our personnel and all our related bodies corporate for all losses costs etc. arising in any way in connection with your use of the device.”



Processes tips

- Road-test your processes
 - Eg, do you know what is in the welcome pack?
- Simpler processes are less prone to compliance errors
- Beware allowing things to evolve without structure
- Have processes!


Example of provider using same base t&c each time.
Legal edits made to prior terms were never included.
Made for a more costly and wasteful review.



Doing something new?

Take particular care to identify compliance issues if changing your business model

Examples

- Offering refurbished products to provide a quicker handset replacement solution
- Changing returns and refunds policies
- Rolling out a global change
- Changing how your reseller arrangements operate
- Introducing loyalty programs
- Extended warranty / insurance offers
- Prepaid  postpaid

Thank you!

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