




Fixed-mobile converging services – the Italian experience



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Convergence: not just a word anymore

- ▣ For quite a long time *Convergence* has been no more than a fashionable word used in conferences and seminars to define the future of electronic communications.
- ▣ In the last two years, finally, the first double play, triple play and quadruple play offers have been launched commercially in many countries.
- ▣ This presentation is focused on two double play offers, that are concretely addressed to the mass market, and on the regulatory problems which they raised.


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| Fixed and Mobile integrated services in Italy | | |
| <ul style="list-style-type: none">▣ The new services allow customers to use just one phone for fixed and mobile calls.▣ In 2006 Telecom Italia and Vodafone, in May and October respectively, proposed their integrated fixed-mobile services.▣ The two operators have adopted different technical solutions and recently started to commercialize the service, Telecom Italia under the brand name "UNICO" and Vodafone under the brand name "Vodafone CASA" | | |
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| "UNICO" of Telecom Italia | | |
| <ul style="list-style-type: none">▣ Telecom offers a dual mode handset that allows customers to choose between fixed and mobile network.▣ At home the handset accesses Telecom fixed ADSL line via a local WiFi connection.▣ On the move the handset connects to Telecom mobile network.▣ The customer subscribes two different contracts one for the use of the mobile network and one for the fixed network. | | |
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"UNICO" of Telecom Italia

Mobile Network

M to M calls

Home

WiFi

F to F calls

Fixed Network

When at home the phone automatically switches between networks or the choice can be made by the customer

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TELECOM ITALIA

Vodafone "CASA"

- ☐ Vodafone's service is entirely based on its mobile network.
- ☐ A fixed line rate is applied for calls made or received when the customer is at home or in a specific area nearby (so called: Home Zone).
- ☐ Vodafone provides a SIM with an additional fixed number associated to be used in the home zone.

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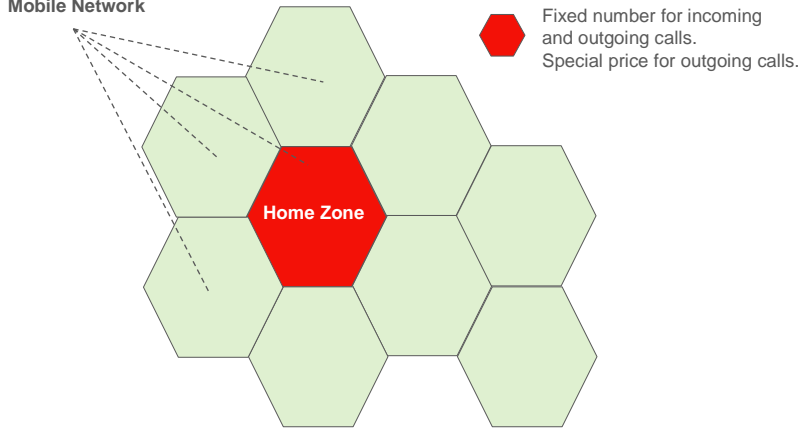
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TELECOM ITALIA

Vodafone "CASA"

Mobile Network



Fixed number for incoming and outgoing calls.
Special price for outgoing calls.

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TELECOM ITALIA

THE 2006 PUBLIC CONSULTATION


- ☐ Initially the Italian Regulatory Authority (AGCOM) barred Telecom and Vodafone from offering their respective services for lack of an adequate regulatory framework.
- ☐ In December 2006 AGCOM launched a public consultation on the introduction of the new fixed-mobile services.
- ☐ Main issues were: use of a fixed number on a mobile network, number portability, frequencies, transparency of prices and termination charges.
- ☐ In September 2007 AGCOM, after having received the clearance from the national competition authority and from the European Commission, published a Decision establishing the procedures for the launching of the new integrated fixed-mobile services.

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| 2007 - THE REGULATION OF INTEGRATED FIXED MOBILE SERVICES 1/2 | | |
| <ul style="list-style-type: none">☐ Price transparency – on a call by call basis, customers have to be informed about which tariff (fixed or mobile) is applied.☐ Numbering - the use of fixed numbers on mobile networks is allowed only to make and receive calls within a restricted area (Home Zone).☐ Number portability - fixed operators are obliged to grant number portability towards mobile networks only with respect to the use of such fixed number within the Home Zone. | | |
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| 2007 - THE REGULATION OF INTEGRATED FIXED MOBILE SERVICES 2/2 | | |
| <ul style="list-style-type: none">☐ Frequencies – mobile operators which offer integrated services shall guarantee that the new integrated service does not interfere with the quality level of the mobile service.☐ Interconnection – operators which offer integrated fixed and mobile services must negotiate with other operators interconnection and access agreements in order to ensure provision and interoperability of services.☐ Competition - operators that offer integrated fixed-mobile services must negotiate agreements with other fixed and mobile operators to allow them the offering of the same integrated services. | | |
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