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8.1 MILLION^[3] BROADBAND CUSTOMERS DO NOT KNOW THEIR LIMITS

The unlimited broadband debacle is still rumbling on, despite Sky setting a precedent for other providers by launching the first completely unlimited service last year. New research from uSwitch.com shows that over 6.7 million^[1] broadband users could still be exceeding limits set on 'unlimited' packages. Despite calls for greater clarity and transparency, just three major broadband providers currently advertise the real limits on their services^[2]:

- **Over 8.1 million^[3] broadband customers (47%) do not know their download limit and could be at risk of exceeding their 'fair usage policy' – this is up from 7.5 million^[3] last year**
- **70%^[4] of major broadband providers are still prepared to disconnect people that exceed limits – even when these are advertised as 'unlimited'**
- **Just 30%^[4] of major broadband providers are transparent and advertise the true limits of their packages**
- **6.7 million^[1] (39%) broadband users believe they are on a completely 'unlimited' package^[1] - with just one provider offering a this, many of these consumers could be in for a shock**

Despite widespread criticism of the policy of imposing limits on 'unlimited' broadband packages, consumers are still being caught out. New research from uSwitch.com, the independent price comparison and switching service, reveals that almost half (47%) of broadband users don't know the limit on their service^[3]. More worryingly, over a third (39%) believe that their broadband package is unlimited and could be opening themselves up to disconnection if they unknowingly exceed the provider's limit^[1].

It is over two years since uSwitch.com started campaigning against broadband download limit transparency. During this time, Sky set a precedent for other broadband providers by launching the first completely unlimited service. Other providers have failed to follow suit and offer their customers 'true' unlimited downloads. The majority of broadband providers are still using the term unlimited and still baffling broadband users by setting limits on their packages. Just three of the major providers, Sky, TalkTalk and AOL, actually publicise official limits.

The unadvertised limits attached to broadband packages can be restricted by providers through 'limiting', which is simply limiting the level of downloads and 'traffic shaping'. Traffic shaping restricts the speed at which you can download certain types of media and restricts the activity that can be performed. This only demonstrates further confusion to the millions of broadband customers in the UK.

The research also shows absolutely no change in the percentage of consumers who are misled, misinformed or just mystified. However, with greater take up of broadband, these percentages are translating into increasing numbers of consumers. 8.1 million broadband customers (47%) do not know their download limit – up from 7.5 million last year^[3] – and 6.8 million broadband users (39%) could be exceeding limits set on 'unlimited' packages^[1] – up from 6.2 million last year.

The Digital Britain report revealed that 2Mb/s broadband should be accessible to all by 2012 and it is predicted that the amount of broadband users are expected to soar. With video applications and services such as the BBC's iPlayer, ITV and 4OD catch-up becoming more popular with consumers the unlimited issue is only set to continue. Nearly one in four (23%)^[5] people with internet access claim that someone in the household watches TV Online, up from 17%^[5] in 2008. A total 65%^[5] of UK households have a broadband package, an increase of 7%^[5] year from 2008. With the increase in the number of people using online services and the demand for downloads increasing there is a real need for greater transparency regarding download limits.

Unfortunately, broadband users are still completely unaware as to how much their activity adds up to in terms of their overall usage. Even activities such as uploading files can contribute to their 'acceptable usage' and could cause users to breach the threshold set by their supplier. This means that broadband customers are in danger of having their services limited, suspended or even terminated by their provider.

The issue is compounded by the Advertising Standards Authority (ASA). It currently allows providers to describe services as 'unlimited' even if there is a fair usage cap, as long as it is detailed in the small print. If consumers are not vigilant enough they could get a nasty surprise if they inadvertently break the rules and max out their so-called 'unlimited' service.

Fair usage policies are referred to in the terms and conditions of a broadband contract. It is within this small print that broadband companies get away with classing their packages as 'unlimited'. Most 'fair usage policies' generally state that a company has the right to limit a customer's broadband service when usage is 'excessive'. But on closer inspection, few

companies actually define the term 'excessive', making it impossible for a broadband user to know the exact point that they will go over the limit.

Jason Glynn, communications expert at uSwitch.com, comments: "The solution is easy, broadband companies should not be allowed to class their packages as unlimited if they are not. Providers are confusing consumers to the extent that broadband users do not even know if they are approaching or exceeding a download limit. The ASA and Ofcom really need to take action and actually set strict guidelines on the advertising of broadband packages. These policies are confusing enough without customers having to worry if they are going to have their service terminated. Imagine the confusion amongst UK motorists if the speed limits on our roads were described in a similar way.

Glynn concludes: "While providers continue to promote broadband in this way, people really need to be savvy when choosing their package and pay close attention to the small print. Sky really is the exception and for those consumers who don't have the time or patience to read through small print, this supplier is the obvious choice."

The devil's in the detail – examples of small print:

- *'very heavy users may have their usage restricted at peak times'*
- *'speed limiting restrictions may be applied within peak hours, or exceeding fair usage policy can lead to suspension of service'*
- *'Extremely heavy users will have bandwidth restricted during peak hours. After 3 email warnings, bandwidth will be managed during peak hours'*
- *'Unlimited during all hours. If usage is deemed detrimental to others, a letter or email will be sent.'*

For more information visit the website www.uswitch.com or call Freephone 0800 093 06 07

- ENDS -

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Notes to editors:

Research referred to in the notes below is based on the following:

This year: Total sample size of YouGov survey was 10,757 UK adults. Fieldwork was undertaken between 13th - 18th February 2009. The survey was carried out online.

Last year: Total sample size of YouGov survey was 11,870 adults. Fieldwork was undertaken between 22nd - 24th January 2008 with analysis conducted in February. The survey was carried out online.

1. Based on the research, 39% of broadband users believe they are on unlimited packages.
 - a. There are 17.3 million broadband connections (customers) in the UK (uSwitch.com).
 - b. 39% of 17.3 million = 6,747,000 million customers
2. According to uSwitch.com analysis, only AOL, TalkTalk and Sky advertise the true limits on their broadband packages
3. According to the research, 47% of respondents did not know their download limit.
 - a. Based on there being 17.3 million broadband connections (customers) in the UK.
 - b. 47% of 17.3 million = 8,131,000 million customers.
 - c. Based on 2008 research (details above) this has increased from 7.5 million last year.
4. Please refer to table below.
 - a. 7 out of 10 (70%) broadband providers advertise as unlimited but do have limits to their broadband usage.
 - b. 3 out of 10 (30%) providers publicise official limits.
5. Ofcom Communications market reports 2009.

Provider	Package	Download cap †	Fair usage policy	Fair usage limit	Fair usage detail now	Fair usage last time	Prepared to cut customers off?	Unlimited advertising removed?
AOL	Wireless Plus	40 GB	N	Unspecified	Speed limiting restrictions may be applied within peak hours	Speed limiting restrictions may be applied within peak hours	Yes	Yes - the provider has removed their unlimited plan
Be	Be Value	Unlimited	N	Unspecified	Customers generating 'excessive' web traffic will receive a written warning (by email or otherwise)	Customers generating 'excessive' web traffic will receive a written warning (by email or otherwise)	No	No
BT	Option 3	unlimited	Y	Unspecified	Very heavy users may have their usage restricted at peak times	Very heavy users may have their usage restricted at peak times	No	No
O2	Standard	unlimited	Y	Unspecified	If we feel that your activities are so excessive that other customers are detrimentally affected, we may give you a written warning (by email or otherwise)	n/a	Y	No
Orange	Home Max	Unlimited	Y	Unspecified	Speed limiting restrictions may be applied within peak hours. Exceeding fair usage policy can lead to suspension of service	Speed limiting restrictions may be applied within peak hours. Exceeding fair usage policy can lead to suspension of service	Yes	No
Plusnet	Plusnet Unlimited	Unlimited	Y	Unspecified	Perform "Traffic Management" which restricts the download speeds for certain type of web activity and prevents users from excess downloading	Speed limiting restrictions are not applied. If you exceed your usage limit, you are notified by text and email to top up your usage.	No	Yes
Sky	Unlimited Broadband	Unlimited	N	No limit	No usage restrictions	Extremely heavy users will be contacted by email	No	No
TalkTalk	myTalkTalk	40GB	Y	n/a	Fair use policy restricts this high bandwidth activity in peak hours to allow the majority of customers to use their broadband connection for normal residential usage		No	n/a
Tiscali	Broadband only	Unlimited	Y	Unspecified	After 3 email warnings, bandwidth will be restricted during peak hours.	After 3 email warning, bandwidth will be lowered within peak hours, possibly halved.	No	No
Virgin Media	Broadband Size M	No download limit (Acceptable usage policy)	Y	Unspecified	Unlimited during all hours. If usage is deemed detrimental to others, a warning letter or email will be sent.	Letter and email sent when downloads exceed approx 40GB. Speed will not be reduced without warning.	Yes	No