

I informed [redacted]
03 [redacted] of this on 15-10-92



MR Smith has complained
that on the 13-10-92 he
received incoming calls

at 1.20:
1.40 ✓
2.00
3.00. ✓

and no ~~one~~ was there when he
answered the calls. - (1/2 dropouts
on answer?)

We had the Elnis disconnected at the
RCM and was installed at MR Smith's
house. The CLAs showed no evidence of above

INCOMING ANSWERED
END SEIZURE 13.40.40
CONVERS.TIME: 000675
SEIZURE : 13.29.25
DATE : 1992-10-13
NUMBER OF RINGS: 08
RINGING: 13.29.13
13.40.40 H-ON 000001
13.29.25 H-OFF 000001
13.29.23 R
13.29.22 R
13.29.20 R
13.29.19 R
13.29.17 R
13.29.16 R
13.29.14 R
13.29.13 R



INCOMING ANSWERED
END SEIZURE 15.04.03
CONVERS.TIME: 000172
SEIZURE : 15.01.11
DATE : 1992-10-13
NUMBER OF RINGS: 14
RINGING: 15.00.50
15.04.03 H-ON 000001
15.01.11 H-OFF 000001
15.01.09 R
15.01.08 R
15.01.06 R
15.01.05 R
15.01.03 R
15.01.02 R
15.01.00 R
15.00.59 R
15.00.57 R
15.00.56 R
15.00.54 R
15.00.53 R
15.00.51 R
15.00.50 R



A TELSTRA minute written on 2 July 1992 to NETWORK OPERATIONS and the FAULT BUREAU VIC/TAS, and obtained under the F.O.I.



Telecom Australia

Minute

File HA-AC 4/1/18 Subject GRADE OF SERVICE COMPLAINT
MR ALAN SMITH 055-26 7267

Phone 055-73 0200 From MARK ROSS
CUSTOMER SERVICES MANAGER
HAMILTON - VIC/TAS REGION

To [REDACTED] - NETWORK OPERATIONS
[REDACTED] - FAULT BUREAU VIC/TAS
[REDACTED]

Please find enclosed documentation in regard to a Grade of Service Complaint from Mr Alan Smith of Cape Bridgewater.

Our local technicians believe that Mr Smith is correct in raising complaints about incoming callers to his number receiving a Recorded Voice Announcement saying that the number is disconnected.

They believe that it is a problem that is occurring in increasing numbers as more and more customers are connected to AXE.

Can you please investigate this problem and provide me with a written reply so as I can forward this to Mr Smith and our local Federal Member, before what is already a difficult situation, gets right out of hand.

MR
Mark Ross
Customer Services Manager - Hamilton

2/7/92

mr1981b3

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C04006

Issues Involved During the Resolution - Factors Considered

1. Alan requested \$150k
2. Chances of legal action - high
3. Chances of media action - 100%
4. Poor performance of Telecom:
 - historically ^{20k} problem
 - March ^{20k} problem
 - Local Portland problem fixed in October
 - wiring and cabling issues
 - RVA on congestion
5. Slow resolution of past problems both technical and claims
6. COT involvement:
 - chances of class action
 - chances of mass media action
 - chances of membership growth
 - Adelaide Pizza
 - Mt Gambia
 - Portland
7. Evidence of problems:
 - Many letters stating the problem of not getting through to Alan Smith
 - People prepared to make statements of problems
 - Claims that Alan had rung himself from his Goldphone and not got through
 - Austel and Ombudsman both had trouble getting through
 - Many claims which might be difficult to substantiate in court but would be credible in the media
 - Viability of business for the future - increased bookings since the servicePeriod of time
8. Costs incurred:
 - Additional phone calls to chase up business - about \$1000
 - Legal costs - about \$1000
 - Camps prepared but not run
 - Advertising
 - Time
9. Alan's time and other consequential costs - health, stress, etc

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C04007

10. Loss of business:
- Camps lost because party could not contact Alan (evidence in letters - \$10,000 loss of profit)
 - Extrapolating - about \$40,000 over a period
11. Loss of partnership:
- Alan claims \$100,000 loss because he had an opportunity to sell a share in his business but this opportunity was lost because the potential partner stated he could not contact Alan Smith initially and lost faith in the telephone service available - hence withdrew his offer
12. Possible legal costs:
- If Alan took legal action Telecom would incur significant legal costs to defend it - about ?
 - If Telecom lost, we could also incur Alan Smith's costs
 - Estimated what possible bill?
13. Inquiry costs - both Austel and Ombudsman's Office has been actively involved. Enquiries are ongoing. Cost of ^{Saving} ? - about
14. Cost of arbitration - Mr Smith wanted to use an independent arbitrator to resolve the dispute - cost in a case in Sydney \$25k
15. Management time - I have spoken to Alan Smith regularly (daily) over a period. I began making appointments for when I would ring him - he nearly always rings me prior to the call. When I did not ring him daily (even if I was not scheduled to) he wrote to Frank Blount and Doug Campbell or both. He had regularly rung Doug Campbell's office (Judy Lanstrom) several times a week and Austel and others in Telecom. This was despite my setting up a regular contact point (Mark Ross in Ballarat) for him and a specialist diagnostic technical manager (Bruce Pendlebury). Mark spoke with Alan Smith once a week at least. Bruce averaged 5-6 calls a week to and from Alan Smith. He also contacted the Area Manager, Don Lucas, on a regular basis. Don also visited Alan Smith at Cape Bridgewater. This was going to continue forever if all matters were not resolved.
16. Legal position - Mr Smith's service problems were network related and spanned a period of 3-4 years. Hence Telecom's position of legal liability was covered by a number of different acts and regulations. The immunity claimed has never been tested in court and the current immunity from paying loss of business compensation depends upon Section 8 of the BCS Tariffs lodged with Austel. This is probably the least clear of the immunities. In my opinion Alan Smith's case was not a good one to test Section 8 for any previous immunities - given his

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C04008

evidence and claims. I do not believe it would be in Telecom's interest to have this case go to court.

Overall, Mr Smith's telephone service had suffered from poor grade of network performance over a period of several years; with some difficulty to detect exchange problems in the last 8 months.

In the media Telecom would not have looked good at a time when we are working hard to improve general customer perceptions.

In a legal battle, Telecom's chance of winning would have to be about 50/50. The bad publicity for Telecom would have been significant.

In my view were Alan Smith to win a legal battle he could have been awarded payment as high as \$40,000. If we went to arbitration a payout of the order of \$80,000 would not be out of the question; with costs of setting up the arbitration extra.

In the interests of expediency and Commercial judgement I considered it better to reach a commercial settlement.

Mr Smith's communication arrangement is questionable:

- other ways eg second line, fax, 008, etc of contacting him not set up
- use of answering machine improper or incorrect
- answering arrangements when Mr Smith was not there *not satisfactory*
- Telecom's defence in some doubt on causality

These are for personal notes recall'd at the time of settlement. Alan Smith do was not prepared to provide both substantiation of his claim.

Ronnie Pittard

This facsimile from 60 minutes dated 18 June 1993 is self explanatory.

60
minutes

60 MINUTES FACSIMILE

To:MR. ALAN SMITH.....
.....(055) 267 230.....
From:JULIAN CRESS.....
Date:JUNE 18TH 1993..... No of pages 1.....

DEAR ALAN,

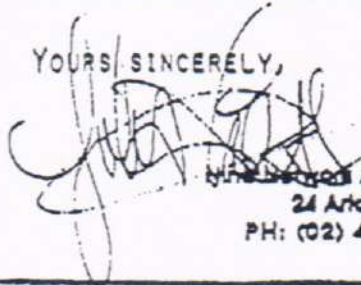
JUST A NOTE TO LET YOU KNOW THAT I HAD SOME TROUBLE GETTING THROUGH TO YOU ON THE PHONE LAST THURSDAY. PRETTY IRONIC CONSIDERING THAT I WAS TRYING TO CONTACT YOU TO DISCUSS YOUR PHONE PROBLEMS

THE PROBLEM OCCURRED AT ABOUT 11AM. ON THE "008" NUMBER I HEARD A RECORDED MESSAGE ADVISING ME THAT "008" WAS NOT AVAILABLE FROM MY PHONE AND ON YOUR DIRECT LINE IT WAS CONSTANTLY ENGAGED.

AFTER ABOUT HALF AN HOUR I CONTACTED SERVICE DIFFICULTIES IN SYDNEY. THEY CALLED THE LOCAL OPERATOR IN YOUR AREA WHO REPORTED BACK THAT YOU WEREN'T ON THE PHONE BUT THAT THE LINES IN YOUR AREA WERE CONGESTED AT THE TIME.

I'M AWARE THAT YOU HAVE BEEN HAVING PROBLEMS LIKE THIS FOR SOME YEARS NOW AND WISH YOU THE BEST IN SORTING THEM OUT.

YOURS SINCERELY,



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AUSTRALIAN SINGLES CENTRE
1143 Toorak Rd, Camberwell 3124 Ph 8896659 Fx 8893129

2011

5th July 1992


Mr Alan Smith
RMB 4408
Cape Bridgewater
Portland 3306

Dear Alan

Futher to my previous letter in February.

On the 26th of June I rang you at about 9pm and spoke to you, this was not my first attempt as on my previous attempes I received a recorded message as I have in the past. Because I knew of your problem I persisted until I got you, however had I been a new enquiry you would have lost business on this occasion.

Kind Regards


Peter Turner

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