

Profile Evidence File No/6 008/1800 billing issues Exhibit 6-A to 6-I follows

6-A. Letter from Telstra's lawyers to myself dated 24th January, 1994 confirms that I raised the lock-up billing problems on my 055 267267 line from 1st January, 1993 - 9th August, 1993 (see page 3).

6-B. Official Government Regulatory AUSTEL three page document (which should have been provided to me as promised by the Government after they visited my business on 19th December, 1995), was not released to me until after my statutory limitations had expired. This made sure I could not use it to appeal my award! It is clear from this report on page one, using Telstra's own Call Charge Analysis data (CCAS), AUSTEL's Darren Kearney was able to conclude Telstra by May and July 1993 (see dot point 1 and 2 in this letter) had indeed started to incorrectly charge me for call-periods longer than they should have. This mini report dated 26th February, 1996 also shows that Telstra was continually incorrectly charging my business on my 008/1800 service in January 1995, (nine months after I entered the Arbitration Process).

6-C. Telstra internal email dated 11th October, 1993 FOI folio H36291 which discusses the 1800 billing problem notes: "I am receiving a disturbing number of instances where the 1800 prefix "does not work" in the network".

6-D. Further Telstra internal email dated 1st November, 1993 FOI folio H36293 states: "...All Admin groups are being inundated with complaints from customers who have advertised their numbers as 1800 but their customers are simply unable to get through to them. I have also spoken to our fault staff out at Waverly who are also being inundated with the same complaints."

6-E. Telstra internal memo dated 5th November, 1993 FOI folio H36178 states under the heading Serious 1800 problem: "...Bruce is concerned that the matter requires fixing [sic] at a national level not just on a fault by fault basis. He also raises the question whether we should be actively promoting 1800 in the current circumstances".

6-F. Two letters from AUSTEL dated 6th and 27th January, 1994 to Telstra confirm I am still raising the same 008/1800 billing problems. My 008 line was transferred over to the 1800 service

Open Letter File 45-A to 45-H and 46-A to 46-L also confirm I was raising these ongoing 008/1800 billing problems during and after my arbitration.

6-G. Government facsimile dated 22nd January, 1998 to John Pinnock (TIO) confirms (from the three page Telstra attachment) 33 Months after my arbitration had concluded, Telstra admitted that it appeared as though my 1800 billing faults raised during my arbitration, appeared to have continued after my arbitration. This document was concealed from me until after the statute of limitations had expired, so I was unable to use this to appeal my arbitration award.

6-H. Two letters dated 10th February, 1999 from John Pinnock (TIO) to various Government Officials **advising them that he was** considering investigation whether the Arbitrator had addressed the billing issue in my arbitration when Open Letter File No/45-A, 46-K and 46-L shows they were never addressed during my arbitration?

6-I. Two pages from Telstra's CEO, Frank Blount (who was Telstra's CEO before I went into arbitration and four years thereafter) wrote a joint manuscript with Bob Joss titled "Managing in Australia". This manuscript confirms Mr Blount knew the 1800 faults were a major network problem.

In simple terms, my arbitration billing issues should have been investigated by the arbitrator and had his consultants done so they may well have concluded as did Telstra (see 6-G above) that the billing problems were still affecting my business.

FREEHILL
HOLLINGDALE
& PAGE

COPY

28 January, 1994

K01160

Mr Alan Smith
Cape Bridgewater Holiday Camp

By facsimile
No. 055 267 230

Dear Mr Smith

Cape Bridgewater Holiday Camp
DLM:001660539

We refer to your letter dated 4 January 1994 to Denise McBurnie.

We also refer to your telephone conversation with Denise McBurnie on 25 January 1994 and confirm that Telecom wishes to establish Mr Steve Black and Mr Paul Rumble of Telecom, as your point of contact for requests for information from our client. Any further requests for information which you have for our client should therefore be directed to Mr Black or Mr Rumble.

In response to your request for information we provide below our client's responses to the questions raised in paragraphs 1-6 of your letter. In your letter you requested answers to the questions raised in paragraph 1-7. Your letter did not contain a paragraph 7 and we were unable to ascertain any further questions from your letter. Our client has instructed us to respond to the questions raised in paragraphs 1-6 of your letter as follows:

(1) Paragraph 1

Telecom has previously advised both yourself and AUSTEL that it did locate the names of two employees who made the calls referred to in this paragraph. These employees are involved in investigating reported faults and testing customer services by making a number of calls each day. Given the elapse of time between the making of the two test calls in question and the time you requested release of the caller's name, it would be difficult to determine any detailed information regarding the discussions which took place during those test calls. It is Telecom's position that it will not release the names of employees unless Telecom considers the release of such information to be reasonable and proper in all the circumstances.

BARRISTERS & SOLICITORS
101 COLLINS STREET
MELBOURNE 3000 AUSTRALIA
GPO BOX 128A MELBOURNE 3001
TELEPHONE (03) 288 1254 FACSIMILE (03) 288 1567
TELEX AA93004 DX 240 MELBOURNE

SYDNEY MELBOURNE PERTH CANBERRA BRISBANE LONDON SINGAPORE
REPRESENTED IN BANGKOK AND JAKARTA

6A

Mr Alan Smith
28 January, 1994

Page 2

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Y01161

(2) Paragraph 2

An examination of the fault history for telephone number 055 267 267 indicates that you made a total of nine reports to Telecom's Fault Report Services during the period 1 January 1993 until 9 August 1993. As a result of testing conducted into these reports the following results were obtained:

- In January 1993 two reports resulted in:
 - (i) on 6 January 1993, a handset was replaced at your premises.
 - (ii) on 13 January 1993, a printed circuit board at the Portland Telephone Exchange associated with your telephone equipment was replaced.
- On 18 February 1993 your report was referred to the Customer Operations Group in Ballarat. This report involved the repair of a fault that was found on another customer's PABX located in Ballarat.
- Testing associated with the remaining six reports occurred between 20 May 1993 until 9 August 1993 and resulted in the fault reports being cleared as "No Fault Found" or "No Fault Found, but additional network testing to be undertaken". This additional testing found no evidence of any network faults.

(3) Paragraph 3

Telecom has recently had in place equipment to monitor your service at the Portland Exchange. This equipment is involved in passive line potential monitoring and does not "register" fault conditions as such, but provides a report on the line status experienced, for example, incoming call, outgoing call, time of call. Interpretation of the output of this monitoring is required in conjunction with other information and testing to allow Telecom to determine the overall performance of a customer's service.

Other forms of service monitoring which can be used by Telecom are AXE Test System and Common Channel Signalling Monitoring. Again, these systems both produce data that requires analysis and cross referencing with other materials. It is therefore not possible to provide the information as requested in paragraph 3 of your letter. A detailed analysis of your service occurs as an ongoing process and any anomalies detected during that time are acted upon directly.

(4) Paragraph 4

As the information provided originally in your letter dated 12 November 1993 was of a limited nature, no specific response was possible to your allegations concerning over charging and short duration of calls. However, Telecom does have clearly defined policies and principles for call charging and billing. These principles are:

- customers will be charged only for calls which are answered.
- unanswered calls are not charged.

Mr Alan Smith
28 January, 1994

COPY

Page 3

- unanswerd calls include calls encountering engaged numbers (busy), various Telecom tones and Recorded Voice Announcements as well as calls that "ring out" or are terminated before or during ringing.

(5) Paragraph 5

As Telecom has previously advised to you, the incident referred to in this paragraph relates to the use of Malicious Call Trace (MCT) that was placed on your line as part of the testing of your service. MCT resulted in the line being "held busy" for 90 seconds after the actual call was terminated. Consequently, the first call was made, answered and terminated, and the following five calls, all made within the 90 second period received a busy tone. Subsequent to this incident, MCT was removed.

(6) Paragraph 6

- (i) As you have noted in your letter the Elmi Tape which was retained by you from a brief case inadvertently left at your premises by a Telecom employee was apparently returned by you to AUSTEL. Telecom has been unable to locate that tape and has instructed us that it received a different tape from AUSTEL than the one to which you refer in paragraph 6(i) of your letter.

Consequently, Telecom is unable to comment or provide any opinion of the tape to which you refer at this stage. Telecom is currently endeavouring to confirm with AUSTEL the location of the tape to which you refer. It is also Telecom's opinion that it is not appropriate for Telecom to comment on this piece of material at this time and it would be more appropriate for Telecom's comment to be conveyed during the Fast-Track arbitration procedure.

- (ii) Prior to receipt of the letters provided by you to Telecom, Telecom had had reason to investigate the matters referred to in those letters and had completed those investigations without a fault being found. Telecom did not consider it necessary to conduct such investigations again when they had already been completed Mr Campbell's statement of "each of which have been investigated without fault" in his letter to Mr Hawker was therefore correct.

- (iii) As noted above in Telecom's response to the questions raised in your paragraph 2, Telecom has not found any evidence of network faults applicable to and which could affect your service during the period to which you refer.

Yours faithfully
FREEHILL HOLLINGDALE & PAGE
per:

Denise McBurnie

Denise McBurnie
Solicitor

94/269

26 February 1996

BRUCE MATTHEWS

cc Peter Gilmartin
Ellie Calero

CHARGING DISCREPANCIES RAISED BY ALAN SMITH

The following is a guide to documentation provided by Alan Smith on 19 December 1995, in support of his claim of massive incorrect charging on his 008/1800 account.

2. I understand that you have commenced examining the documentation provided. The following information is intended to assist you in assessing the validity of Mr Smith's claims, as it identifies the documents Mr Smith regards as specifically supporting his assertions.

3. It should be noted that AUSTEL has advised Mr Smith that it is investigating the charging discrepancies he has raised to ascertain their potential systemic nature. It has been stressed to Mr Smith that this investigation is being undertaken in the context of AUSTEL's ongoing work resulting from its 1992 Inquiry into Standards for Call Charging and Billing Systems, and is not related to his arbitration.

4. Mr Smith identified 27 examples of charging discrepancies which he regarded as specifically supporting his claims. These examples have been marked and referenced accordingly in the documentation he provided. In summary, Mr Smith claimed that -

- 008 account and CCAS records for the period 4/7/93 to 6/7/93 showed charging discrepancies (Example 1);
- his 008 account showed longer calls than apparent in CCAS records specifically on 20/5/93 (Example 2);
- a Telstra 008 billing record and CCAS records for calls on 14/4/94 showed charging discrepancies (Example 3);
- a Telstra 008 billing record, CCAS records and a 008 account showed charging discrepancies on 26/4/94 (Example 4);
- various discrepancies were apparent as a result of test calls made to his service by Telstra from Ballarat. See Example 23. (Example 5);

- a Telstra 008 billing record showed calls made on 24/5/94 were of a longer duration than apparent on CCAS records for the same day (Example 6);
- a CCAS record for 29/5/94 showed a discrepancy in the number of calls made when compared with his 008 account for the same day (Example 7);
- a CCAS record for 31/5/94 showed a discrepancy in the duration of calls when compared with his 008 account for the same day (Example 8);
- a CCAS record for 24/5/94 showed a discrepancy in the duration of a call when compared with his 008 account for the same day (Example 9);
- a CCAS record for 3/6/94 showed a discrepancy in the duration of a call when compared with his 008 account for the same day (Example 10);
- his 008 account for 12/4/94 showed a call which did not appear on a CCAS record for the same day (Example 11);
- a CCAS record for 16/4/94 showed a discrepancy in the duration of calls when compared with his 008 account for the same day (Example 12);
- a CCAS record for 18/4/94 showed a discrepancy in the duration of calls when compared with his 008 account for the same day (Example 13);
- a CCAS record for 1/6/94 showed a discrepancy in the duration of calls when compared with his 008 account for the same day (Example 14);
- CCAS records of his outgoing calls showed unusually long 'wait times' (Example 15);
- Telstra call event data for July 1994 was in some instances inconsistent with his 008 account for that period (Example 16);
- the duration of calls listed on his 008 accounts for the second half of 1993 were often inconsistent with CCAS records for the same period (Example 17);
- records of CCAS monitoring undertaken for other customers connected to the Cape Bridgewater exchange demonstrated that other customers in the Portland area had raised charging discrepancies with Telstra (Example 18);
- hand written notes by a Telstra 1100 operator indicated that a caller received a "dead line" when calling Mr Smith's 008 number, however Mr Smith's account shows that he was charged for this call (Example 19);
- Telstra records show that Amanda Davis was charged for two calls to Mr Smith which CCAS records show Mr Smith did not receive (Example 20);
- Cheryl Haddock received a recorded message when calling Mr Smith's 008 number, however his 008 account showed short duration calls from her number for the corresponding period (Example 21);

- a call made on 13 January at 11.57 am listed on his 008 account could not have occurred because the previous call commenced at 11.50 am and was 9 minutes and 49 seconds in duration (Example 22);
- documentation shows notes made by Telstra which indicate that test calls made to his 008 number were unsuccessful, however these calls appeared on Mr Smith's 008 account (Example 23);
- analysis done by George Close and Associates identifies faults associated with outgoing and incoming calls on Mr Smith's Goldphone service (Example 24);
- notes made by Telstra on outgoing and incoming call event records show discrepancies and faults associated with Mr Smith's service (Example 25);
- his 008 account and call event records for a corresponding period showed charging discrepancies (Example 26); and
- a billing record for his service was inconsistent with outgoing call event records for the service (Example 27).

5. Mr Smith wrote to me on 20, 22 and 27 December 1995 outlining details of other charging discrepancies. These letters are on file 94/269. I also spoke with Mr Smith on 20 February 1996 about charging discrepancies associated with his Goldphone service. Mr Smith requested that AUSTEL investigate these matters along with the alleged discrepancies associated with his 008 service. I confirmed with Mr Smith that his preference was that the charging discrepancies associated with his Goldphone service be investigated first.

6. I am happy to discuss any aspects of the above with you.



Darren Kearney
Senior Policy Analyst
Consumer Liaison

SENT BY: 7/03 '95 09:03

001 3 8523684 2-95 10:40AM

WUNBURGA NIB SYDNEY 015/019

Attachment 4

Beaman, Nigel

From: Zeegers, Peter
To: Beaman, Nigel
Cc: Bergin, Maria
Subject: RE: 1800 prefix network conditioning
Date: Monday, 11 October 1993 3:42PM
Priority: High

Nigel
Please accept my apologies. Apparently 1800 99 was left off the original Exchange Data Change Note that conditioned the network for 1800. I only became aware of this today as a result of your message. Network Engineering tell me that it has been identified as an issue for some 3 weeks and that the 1800 implementation working group were aware of it, (1800 747, 767 were excluded as well but we have no working services on this range). In any case it was not escalated.

The data change note to fix 1800 99 went out last week and was completely loaded in WA by last Friday.
Can you let me know of any other complaints and please ask your informants to ensure these are reported as faults so that they are dealt with by operations & maintenance.
Regards

From: Beaman, Nigel
To: Zeegers, Peter
Cc: Morgan, Kerr; DiMarzo, Nick; Paxton, David; Stygall, Robert; Farrell, Bernadette; Bergin, Maria
Subject: 1800 prefix network conditioning
Date: Monday, October 11, 1993 12:21PM

Peter,

I am receiving a disturbing number of reports of instances where the 1800 prefix "does not work" in the network.

Unfortunately most of the cases I know of have been reported by customers who have tried to use the new prefix in response to Telecom advertising / advice to do so, only to find that "Telecom has stuffed up again". In at least one case the customer has developed extensive advertising using the new prefix and only found out there was a problem after having committed substantial dollars.

When checked out, these are NOT CPE barring to dial 1 instances but rather legitimate customer claims of a mistake by Telecom where some exchanges were "missed" or in one case in WA where an engineer "didn't thing the number range was approved for use so decided not to open it up" (1800 99X XXX range)

Commercial only went ahead with our marketing campaigns based on several assurances from you that the network conditioning would be completed and then an assurance that it had been completed post 20/9/93.

Given we are now part way through a major Direct Mail national campaign launching Freecall 1800 Statewide, I need to know the extent of the problem of missed areas across the country.

When I spoke to Maria about organising a test across the network, she said she did not think there was any process in place to run such a test and that I should address the problem to you and your area.

Surely there is a way to organise for a simple test call to be made from every exchange to a test Freecall 1800 number with a follow up confirmation to a central (fault reporting area perhaps) location that the call either did or did not get through.

Please respond ASAP as I have sales and sales support staff buying time with customer waiting for a response.

6-C

H36291

28- 2-95 :10:39AM

SENT

Beaman, Nigel

From: Zeegers, Peter
 To: Beaman, Nigel
 Cc: Chaseling, Barry; Peck, Chris; Belshaw, Dave; Farrell, Bernadette
 Subject: RE: 1800 PROBLEMS
 Date: Monday, 1 November 1993 10:53AM
 Priority: High

I believe the DMS time out problem fix will fix the NSW problem.

Can we not get the admin areas not to be so emotive about terms like "inundated". What we need is facts and to know where, when, who, so faults can be addressed. I've asked Network Engineering to get involved with the fault reporting loop so they have feed back and can fix. All problems should be reported as a fault so they can be recorded and dealt with (and escalated as necessary).

From: Beaman, Nigel
 To: Zeegers, Peter
 Cc: Farrell, Bernadette
 Subject: FW: 1800 PROBLEMS
 Date: Monday, November 01, 1993 9:36AM
 Priority: High

Peter,

For your information as requested.

Regards Nigel

From: Peck, Christopher
 To: Bergin, Maria
 Cc: Beaman, Nigel; Hassett, Tony; Petrie, Bruce
 Subject: 1800 PROBLEMS
 Date: Friday, 29 October 1993 4:17PM
 Priority: High

Maria

Just recently the QLD Admin group had a customer who advertised their Freecall as 1800 on TV, press and radio. However some areas from Northern NSW were unable to get through, subsequently the customer is seeking compensation. Now the customer cannot change the number to 008 as this will be far too expensive for his company.

All Admin groups are being inundated with complaints from customers who have advertised their numbers as 1800 but their customers are simply unable to get through to them. I have also spoken to our fault staff out at Waverley who are also being inundated with the same complaints.

Now as far as I can tell we have no way of telling if areas of Australia are having difficulties getting through unless a fault has been placed by the customer, and this is only stage that it is brought to our attention. All the Admin groups know to refer the fault through to our fault centres, but as you can understand this all goes over like a lead balloon with the customer.

I believe that we should get all the relevant parties together to discuss this problem further before we have another expensive compensation case on our hands.

Christopher

67

ATTACHMENT E

SENT BY:
DATE:

25 NATIONAL NETWORKS-

61 3 8503796: # 2/ 2

11 11 1993

001 5 882 8611

NOI NET OFFICE

REILLY

001/001

M. J. Keilly

Telecom
AUSTRALIA

Internal Memo

To Harvey Parker
Group Managing Director - Commercial
and Consumer

From Greg Newbold
Group Communications Manager

Subject Serious 1800 problem

Date 5 November 1993

File

Attention cc: David Cardie Chief Operating Officer - Commercial
and Consumer

Commercial & Consumer
Office of Customer Affairs

17/042 Exhibition Street
Melbourne
Vic 3000
Australia

Telephone (03) 834 7992
Facsimile (03) 433 8841

URGENT

Greg Newbold / Peter Keilly
Pls review, take action
to ensure this
is under control and
report back to me on
your action.

G
Harvey,

Your 1800 Staff Centre line has generated a call from Bruce Patric (008 819 164) from Commercial Special Services (rating area) at Glen Waverley who advised that the 1800 service has defects which in some cases are preventing the connection of customer calls. Customers instead get a recorded voice announcement saying that the service is unavailable. Also there is Post-Dialling Delay of up to 20 seconds which means that a customer will think their call hasn't gone through and will hang up.

The matter is under active management - a software change is required to fix part of the Post-Dialling Delay problem and this is expected to be implemented today by the manufacturers of the 1800 equipment. The remainder of the problem is being dealt with by the Interconnect group located in Hobart as they hear about each fault.

The issue of non-connected calls leading to RVAs is also being dealt with in Hobart on a similar basis.

Bruce has been informed that a Queensland customer is seeking compensation for an extensive 1800 advertising campaign which allegedly didn't work and Bruce is further advised that there are many other customers considering similar action.

Bruce is concerned that the matter requires being at a national network level not just on a fault by fault basis. He also raises the question whether we should be actively promoting 1800 in the current circumstances.

Regards,
Greg Newbold
Greg Newbold.

W/SW: Where's shall be called (2nd set)
ALL Best known web land
Thursday
Message in Philip Leland was to
late.
6E
H36178



AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

6

000762

95 / 0603 - 01

92/0596(8)

103

6 January 1994

Mr S Black
Group General Manager -
Customer Affairs
TELECOM.

Facsimile No: (03) 634 8444

Dear Mr Black

COT Cases - Mr A Smith

You are probably aware of Mr Smith's ongoing complaints as to the efficacy of his 008 service - he maintains that many callers receive a RVA advising that the number is no longer connected. This has been an issue in the Bell Canada study.

Further to that point is the experience of the Portland Tourist Information Centre which is now complaining of precisely the same problem. It is understood that these issues gained prominence after a considerable incidence of problems from various points throughout Australia following a nation-wide promotion of south western Victoria. A copy of a fax from the Centre is attached. You may wish to consider this issue further.

Yours sincerely

John MacMahon
General Manager
Consumer Affairs

Encl:

6-F

92/0596(8)

27 January 1994

Mr S Black
Group General Manager - Customer Affairs
TELECOM

Facsimile No: (03) 832 3241

Dear Mr Black

**ISSUES RAISED BY MR ALAN SMITH - CAPE BRIDGEWATER HOLIDAY
CAMP**

Mr Alan Smith has recently raised a number of issues relating to his service generally and to his 008 service. AUSTEL requests that you investigate and report on the issues raised by Mr Smith as detailed below. The 008 issues relate to the period covered by Mr Smith's most recent bill. A copy of the relevant page of this bill is attached with this letter.

- (1) Mr Smith's 008 bill records 4 calls made on 5 January 1994 from the origin 05521. These calls were made between 4.29 & 4.39 pm. Mr Smith states that he did not receive these calls. He has investigated the matter himself and established that the calls were made from 055 212 671, being the facsimile number of the Portland Tourist Bureau. Evidently the Manager of the Tourist Bureau, Ms Burch, tried to send a facsimile to Mr Smith on the wrong number. Mr Smith states he did not receive these calls on the date and time in question, and is adamant that no calls with a fax tone were answered by him on this date. He is 95% sure that his phone did not ring on the date and time in question.

In responding to this issue, can you please address the possibility that calls may have been incorrectly switched elsewhere in the network than Cape Bridgewater Holiday Camp, and that the charging system servicing Mr Smith is operating inaccurately.

- (2) Mr Smith's 008 bill records 3 calls made on 13 January 1994 around 1.50 pm from the origin 03 580. These calls were all of short duration, being respectively of 4, 8 and 20 seconds duration. Mr Smith has stated that Tina Velthuyzen (telephone number 03 580 4710) rang Mr Smith once on his 008 number on 13 January around 1.50 pm, conversing for approximately 10 minutes. (Two calls were also made by Ms Velthuyzen at 11.38 am and 11.46 on 13 January - there is no dispute with these calls.) Mr Smith has

5 QUEENS ROAD, MELBOURNE, VICTORIA
POSTAL: P.O. BOX 7443, ST KILDA RD, MELBOURNE, VICTORIA, 3004
TELEPHONE: (03) 828 7300 FACSIMILE: (03) 820 3021

6F

stated that Ms Velthuyzen will corroborate his statement of the call made at 1.50 pm. Mr Smith is concerned with the integrity of the 008 billing system, as the bill data does not correspond with Ms Velthuyzen's and his recollection of calls made at this time.

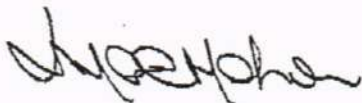
- (3) Mr Smith's 008 bill records a call made on 16 January at 7.23 pm of duration 16 minutes 24 seconds. Smith said he has no recollection of this call and questions whether it was made.

In responding to this issue, can you please provide the full telephone number of the party making the call to Cape Bridgewater at this time and date.

- (4) Mr Smith has also sought advice as to whether his service has been subject to either recording or voice monitoring at any time and, if so, when and for what purpose.
- (5) Mr Smith is preparing his fast track settlement claim. An aspect of this apparently involves the identification of two test calls included in a previous bill. At Mr Smith's request the identification of the Telecom personnel who made these calls was sought by AUSTEL in a letter dated 15 October 1993 but was declined by Mr Pinel on the grounds "that further detail as to the purpose and intent of this information" was required before identification would be considered. (Letter dated 8 November 1993.) Regardless of the rights or wrongs of that decision, Mr Smith now seeks a statement from Telecom that its personnel did make these calls at the time and for the duration shown - for this purpose the identification of the personnel is not required.
- (6) Finally, regarding the ELMI tape left inadvertently at his premises, Mr Smith has asked the significance of the arrows drawn on the tape and for a statement of the quality of service for the seven days in question.

Can you please respond to the matters raised in this letter by 4 February 1994. If you have any queries on matters raised in this letter, please contact Bruce Matthews on 828 7443.

Yours sincerely



John MacMahon
General Manager
Consumer Affairs

cc Mr A. Smith

6F



DEPARTMENT OF
COMMUNICATIONS
AND THE ARTS

Our Reference

FACSIMILE

To:	Mr John Pinnock Telecommunications Industry Ombudsman
Phone number:	1800-062-058
Facsimile number:	1800-630-614

From:	Toni Ahkin
Phone number:	(02) 6271 1509
Facsimile number:	(02) 6271 1850
Date:	22 January 1998
Number of pages:	Cover + 4

GPO Box 2154 Canberra ACT 2601 Australia. Telephone (02) 6271 1000 Facsimile (02) 6271 1901 Email dca@dca.gov.au

Mr Pinnock

Further to our recent phone conversation I am forwarding Telstra's transcript of its meeting with Alan Smith, held on 14 January 1998 concerning his claim of overcharging on his 1800 number.

Mr Smith has undertaken to provide further documentation to Telstra.

Wally,
Please see * over page.
Do you know anything about that?

JA
22/1

John I spoke to Lyn Anderson. The meeting was at Scherer's, not TPO. (Anderson?). He will tell Henry.
Wally 24/1

GG

FILE NOTE*Legal and Professional Privilege Applies - Telecom Confidential*

FILE: MR ALAN SMITH
FROM: LYN CHISHOLM
SUBJECT: BILLING DISPUTE 1800 TELEPHONE SERVICE
DATE: 16 JANUARY, 1998

On 14 January, 1998, Lyn Chisholm and Phil Carless of Telstra's Customer Response Unit met with Mr Smith to examine documentation in relation to his complaints lodged with the Minister's Office and the Telecommunications Industry Ombudsman regarding his 1800 telephone service.

Mr Smith in these complaints had made general allegations with regard to overcharging of the 1800 telephone service, however, Telstra had not received any supporting documentation along with his complaints.

In telephone discussions with Mr Smith, I advised him that in order for Telstra to address his claims, documentation supporting his complaints would need to be forwarded to allow Telstra to fully investigate the matter.

Mr Smith raised concerns with regard to the matter and the Arbitration and I advised that I would be investigating any instances he put forward since the conclusion of the Arbitration. Mr Smith stated that he had evidence of instances that spanned through the Arbitration and that the problem was not addressed in the Arbitration and further that the same instances continued after the Arbitration. ↙

I suggested that we meet so that Telstra could view the documents he was referring to and work at resolving the matter from there.

Meeting Notes 14 January, 1998**Present at Meeting**

Lyn Chisholm - Telstra Alan Smith - Cape Bridgewater Holiday Camp
Phil Carless - Telstra Ray Whitworth - Observer

Alan Smith explained that he had attempted to have this matter addressed in his Arbitration and via Austel and the Ministers office for quite some time. He believes that this issue was not addressed in his Arbitration although Telstra had given an undertaking to Austel in November, 1994. ↙

I explained to Alan that it was my understanding that at the time Austel wrote to Telstra, the Arbitration was in process and that Telstra had written back to Austel and the Arbitrator that it believed the matter would be addressed in the Arbitration.

I then explained to Alan that Telstra had replied to the letter from Austel dated 4 October, 1994 and to further letters from Austel on this matter dated 1 December, 1994 and 3 October, 1995 and in this provided a response to his complaints of charging discrepancies and short duration calls on the 1800 telephone number.

Mr Smith put forward two copies of the Lanes Resource Unit reports. One that had been forwarded to him as part of the Arbitration and one that had been obtained from Dr Hughes's office by mistake when he collected his Arbitration documents.

In what appeared to be a "Draft" of the Lanes report, a paragraph appears relating to Mr Smith's billing complaints, that an addendum report was to be provided at a later date otherwise the report is complete.

Mr Smith stated that the issued report did not include the addendum report nor did it make any reference to his 1800 complaints.

Further Mr Smith produced various printouts of CCAS data in comparison with his Telstra accounts. In many instances the calls add up however, in some cases there appeared to be differences in the duration of the call times.

Mr Smith also provided Telstra accounts that showed an overlap in the time of calls.

Mr Smith stated that there were also discrepancies in details taken by the Commonwealth Ombudsman. He advised that he had asked the Commonwealth Ombudsman to only use the 1800 telephone number when contacting Mr Smith. In the Assessment Documentation for Mr Smith's claim for compensation for FOI matters, Mr Smith states that there is a large discrepancy between the number of calls listed by the CO as being made to Mr Smith and the number of calls he had been charged for on the 1800 account.

I note that the examples given by Mr Smith at the meeting spanned the period of the Arbitration and after the conclusion of the Arbitration.

I advised that Telstra had not seen copies of his examples and had not been able to clearly respond to his complaints without being able to examine the documentation he had put forward at the meeting.

Mr Smith advised that he had provided all details to the TIO office, I responded that we may not have seen all the documentation he had put forward and that the TIO at this point had not raised a formal dispute or complaint regarding the matter.

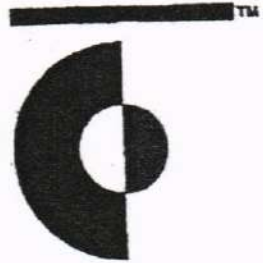
I advised Mr Smith that I would seek copies of any additional information that they may have with regard to his complaint.

Mr Smith advised that he would provide me copies of all documentation that he had with regard to the 1800 number and copies of the documentation he had produced at the meeting. Mr Smith advised that he would provide this material to me during the week beginning 19 January, 1998.

2

I advised that once Telstra had received the information, further investigation could be carried out in the matter.

Mr Smith again enquired about the matter of the Arbitration. I again advised that I would be examining the documents with regard to complaints after the Arbitration, and that a further response with regard to the Arbitration would be provided.



Telecommunications
Industry
Ombudsman

John Pinnock
Ombudsman

10 February, 1999

Mr David Hawker MP
Federal Member for Wannon
190 Gray Street
HAMILTON 3300

Facsimile 03 5572 1141

Dear Mr Hawker

Mr Alan Smith

I refer to your letter of 11 December 1998 and apologise for the delay in replying.

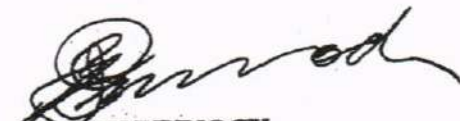
You will be aware from previous correspondence that Mr Smith has made numerous and varied accusations about the conduct of his Arbitration, which was completed in May 1995, by the TIO, the Arbitrator and the Resource Unit which provided expert assistance to the Arbitrator.

His most recent complaint concerning the transmission of facsimiles is, in my opinion, without substance. First, there is no evidence that his facsimile service has been, at any time, intercepted by Telstra or anyone else. Second, with certain minor exceptions I can say that all documents relevant to his Arbitration were forwarded to Telstra and the Special Counsel.

More importantly documents supplied to the TIO were forwarded to the Arbitrator as required under the Fast Track Arbitration Procedure.

The only matter outstanding which the TIO is considering is whether the Arbitrator considered Mr Smith's claim for overcharging on his then 800 service when he made his Award. I shall be writing to Mr Smith on that matter in the next week.

Yours sincerely


JOHN PINNOCK
OMBUDSMAN

6-H

"... providing independent, just, informal, speedy resolution of complaints."

At/ptainan/1058

Telecommunications Industry Ombudsman Ltd

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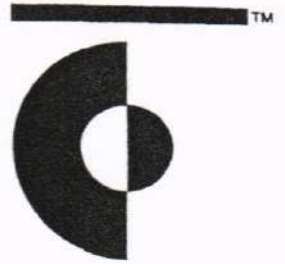
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TIO LTD

613 9277 879

11/02/99 08:58



Telecommunications
Industry
Ombudsman

John Pinnock
Ombudsman

10 February, 1999

Mr Mark Dunstone
Department of Communications Information
Technology and the Arts
GPO Box 2154
CANBERRA 2601

Facsimile 02 6271 1901

Dear Mr Dunstone

Mr Alan Smith


I refer to your letter of 29 January 1999.

You would be aware from a perusal of departmental files that there has been extensive correspondence between the Department and the TIO concerning the COT Cases, including Mr Smith.

Mr Smith's most recent letter of 2 November 1998 is but one of many in a steady stream of complaints concerning the administration by the TIO of his Arbitration and the Award of the Arbitrator. Much of this correspondence contains allegations of impropriety on the part of the TIO, the Arbitrator and the Technical Resource Unit. I no longer have patience nor, I believe, the obligation to continue to respond to these repeated and unfounded complaints.

Mr Smith, however, raised issues in 1998 which I considered merited investigation, viz. whether the Arbitrator had, in his Award dealt with Mr Smith's claim that he had been overcharged on his 800 (now 1800) telephone service as well as complaints concerning his fax line. The TIO has carried out some preliminary, if protracted, investigation of the former claim and I will be writing to Mr Smith in the next week concerning this issue. In relation to the latter claim, Mr Smith wrote to me on 5 February 1999 requesting the return of all correspondence so that he could discuss the matter with the Commonwealth Ombudsman because, Mr Smith claimed, the TIO had not properly investigated the matters.

Yours sincerely



JOHN PINNOCK
OMBUDSMAN

6-H

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Att/Plainan/1056

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ESSENTIAL READING FOR ALL AUSTRALIANS IN BUSINESS

FRANK

BLOUNT



BOB



JOSS

MANAGING IN
AUSTRALIA



Days went by and Blount hadn't heard a thing. Finally, a young woman arrived in his office whom Blount learned was a bright MBA graduate with responsibility for the 1-800 product. Again, Blount recalls the conversation:

Blount: 'I want to talk about the 1-800 service.'

Staff: 'Yes, sir.'

Blount: 'There are some issues that have arisen on the product management side, specifically maintenance of the product, fixing some problems with it and how it is billed.'

Staff: 'I know the type of things you are talking about, sir, because we studied product management in school, but, strictly speaking, my job was to launch the product. I have no way of knowing how it performs once it has been launched.'

Blount was shocked, but his anxiety level continued to rise when he discovered this wasn't an isolated problem. Product management as Blount knew it in a competitive environment was non-existent. There was no overall coordinating role to monitor the performance and profitability of products and modify them as required. He moved immediately to demonstrate the importance Telstra would have to place on products to compete effectively:

I'd often seen approaches that would try to solve world hunger but they didn't get any traction because they operate at such a high level. I decided to pick one product and understand everything about it.

Blount asked his 1-800 'product manager' to put together a team to analyse all aspects of the product and provide a snapshot of what an ideal product should look like. Blount then arranged a two-day retreat for his senior managers to take them through

the product management around the conference member of the senior with all the aspects of

- how the product
- time-to-market;
- provisioning;
- training/selling;
- how it was wor
- the fault rate; ar
- the billing 'system'

The picture that performance was sub market was too long launch. There was no product, so the comp in the marketplace. A product innovations

The exercise wor realised the power of year leap it would tal told him that to fu management up in t would need to appoi Management. The lo difficult to orchestra have a product mana to each of the G undertaken and the r satisfied with how th take on the product

PRODUCT MANAGEMENT — IF THEY WON'T BUY IT, DON'T BUILD IT

the product management case study. Fifteen stations were set up around the conference site staffed by junior managers. Each member of the senior team rotated through the stations dealing with all the aspects of basic product management:

- how the product was designed;
- time-to-market;
- provisioning;
- training/selling;
- how it was working in the field;
- the fault rate; and
- the billing 'system'.

↘ The picture that emerged made it crystal clear that performance was sub-standard. Costs were too high. Time-to-market was too long — at least 18 months from conception to launch. There was no accountability for the profit and loss of a product, so the company didn't track its performance once it was in the marketplace. And on a broader level, the number of new product innovations was tiny — only around two dozen a year.

The exercise worked brilliantly. The Telstra senior team realised the power of proper product management and the light-year leap it would take to get Telstra up to scratch. Blount's gut told him that to fully redress this problem and lift product management up in the eyes of the organisation as a whole, he would need to appoint a Group Managing Director for Product Management. The logistics of doing so immediately proved too difficult to orchestrate at that early stage, so Blount agreed to have a product manager in each business unit who would report to each of the GMDs. With the massive change being undertaken and the resulting competing interests, Blount was not satisfied with how things were progressing. The will was there to take on the product difficulties, but successful execution failed to