



GAZDASÁGI
VERSENYHIVATAL

Free ADSL test month with commitments

The GVH established that the ads on the ADSL service of T-Online Zrt. were misleading. The undertaking was fined HUF 7 million (approx. EUR 28 thousand).

The GVH initiated a proceeding at the end of 2006 against T-Online after it observed that in the summer and autumn of 2006 the undertaking advertised the free testing of its ADSL service in a way that was suitable for the deception of consumers. T-Online promised in its ads that it would ensure consumers the possibility to terminate the service provided by T-Online within 30 days without incurring any costs or bearing any obligations. However, the investigation of the GVH revealed that this information was not true. The ads did not mention that in the case of terminating the ADSL service within a month, although the consumer did not have any debts to T-Online, but for further 3 months he would not be regarded as a possible new consumer according to the wholesale terms and conditions of Hungarian Telekom (Magyar Telekom).

However, for some of the consumers it was, or could have been significant whether they qualified as new consumers or not. Internet providers, with retail ADSL services based on the wholesale service purchased from Magyar Telekom, offered preferential prices only for new consumers. Pursuant to the wholesale contracting rules of Magyar Telekom, a consumer having no ADSL contract 3 months prior to the conclusion qualifies as a new consumer. Thus consumers testing free the service of T-Online, but later terminating the contract and trying to contact other providers, may have lost the preferences.

According to the GVH, private consumers cannot be expected to be familiar with wholesale terms and conditions and the negative effects those terms and conditions could exert on them. Since other providers granted preferences for both new and old consumers, such information may have suggested consumers that after the test month they would be free to contract providers with better prices and conditions than those of T-Online. But acting like that, they may have lost their right to preferential prices as new consumers.

The main point of the TV ads of T-Online was that the test month did not lead to any costs or obligations; the consumer did not have to bound himself. In addition to this, the term test month means in daily life that something can be done without any commitments and obligations during the testing period. According to the GVH it was not true that the test month did not lead to any obligations. The ads and information in question were found not correct by the GVH. The Internet communications and other written informative materials were also regarded as unlawful, despite of the lack

of any space or other effective limits there was no reference to the possible consequences of terminating the contract during the test-month.

Therefore, the GVH fined T-Online. HUF 7 million (approx. EUR 28 thousand) for the deception of consumers. By calculating the amount of the fine the GVH regarded as an aggravating circumstance that the misleading ads were published for a long period and reached a significant number of consumers. Furthermore, there is an intense competition on the market of ADSL services and T-Online possesses a significant market share. It was considered as a mitigating circumstance that the infringement was not that grave and the misleading practice could affect only the behaviour of a part of the consumers.

Case number: Vj-179/2006.

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Hungarian Competition Authority
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