



Media Release

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Vodafone customers should go to TIO if they want swift action on complaints

Peak telecommunications consumer group ACCAN says customers who want swift action for the Vodafone network's service outages in 2010 and 2011 should contact the Telecommunications Industry Ombudsman (TIO).

Legal firm Piper Alderman today announced it was proceeding with a class action against Vodafone Hutchison Australia (VHA) in relation to calls dropping out, reception issues, poor internet performance and poor customer service in 2010 and 2011.

"There is absolutely no denying that Vodafone had major problems with its network in 2010 which impacted very badly on its customers. These problems were made worse by denial from management and front line staff that the network was melting down," said ACCAN spokesperson Elise Davidson.

"Vodafone has already compensated some customers by providing discounts on monthly plans or waiving them altogether until the network was improved. More than a million customers voted with their feet and left Vodafone altogether. We suggest those unsatisfied with Vodafone's response to their complaint contact the TIO which is a free, independent service set up specifically to resolve complaints between providers and their customers," said Ms Davidson.

ACCAN says customers must contact the TIO within 24 months of becoming aware of the problem.

Vodafone has invested heavily in the last two years to improve both its network and its customer service practices, as demonstrated by a 40% fall in complaints to the TIO since 2010.

"This class action is going to take a long time to play out and there are no guarantees for consumers that they will receive compensation if it goes to court – our fears are that this will turn into a lawyer's picnic. It would be a better outcome for consumers if VHA was able to invest the money it will spend defending this class action into further improving its network, which would result in a better service for its customers," said Ms Davidson.

The news on the class action comes at a bad time for Vodafone which today reported a loss of \$A817.6m for 2012.

"This class action comes at a terrible time for Vodafone, and we want to see things improve for the company. If VHA decides to exit the Australian market we will be left with a network duopoly – Telstra and Optus. We don't think this will be a good outcome for Australian consumers. Vodafone have always provided strong competition in the mobile market and we need them to continue to do so," says Ms Davidson.

MEDIA CONTACT

Elise Davidson
Mobile: 0409 966 931
elise.davidson@accan.org.au
Phone: 02 9288 4010
TTY: 02 9281 5322

The Australian Communications Consumer Action Network (ACCAN) is Australia's peak communications consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers.