General Condition 18 updated

the call to travel over the previous network. The database will remove dependency on the previous network.

What changes have been implemented?

Ofcom has updated General Condition 18 to implement the new policy and require communication providers to make the necessary changes. Ofcom is also currently considering whether a mandatory code is necessary to reduce rising levels of mis-selling and slamming.

Tim Stevens, Trainee, Business & Technology Services
tim.stevens@blplaw.com

E-commerce: Pan-European pricing of iTunes?

Simon Albert

Journal of Direct, Data and Digital Marketing Practice (2008) **9**, 390–391.
doi:10.1057/dddmp.2008.11

The European Commission has used competition law to equalise prices for consumers across the EU to download tracks from iTunes.

Equalisation of prices

The equaliser

The European Commission has reached an agreement with Apple to equalise the prices for downloading music from Apple's iTunes online store across Europe within the next six months. This should end the different treatment of UK consumers, who currently have to pay nearly 10 per cent more for downloads than in other European countries. Which?, the UK consumer association, had brought a formal complaint to the Commission, highlighting the different treatment of UK consumers, but the Commission has decided not to take any action as a result of the agreement.

Home country principles

Apple's iTunes online store operates so that European consumers can only buy music that is directed to their home country and that contains music that is approved for sale in that country. iTunes checks the consumer's residence through his/her credit card details, so that a UK consumer must use a credit card issued by a bank with an address in the UK.

Pan-European player

The Commission noted that the licensing practices applied by some record companies, publishers and collecting societies can make it difficult for iTunes to operate stores accessible for a European

consumer anywhere in the EU. Apple is therefore encouraging every major record label to take a pan-European view of pricing, promising to reconsider its continuing relationship in the UK with any record label that does not lower its wholesale prices in the UK to the pan-European level within six months.

Living in harmony

Apple's agreement with the Commission means that UK consumers will soon pay the same for music downloads from iTunes as customers from the Eurozone. Which? has welcomed the agreement as 'music to the ears of UK iTunes customers' and Apple's decision shows how the work of the Commission can benefit consumers in the UK.

Simon Albert, Associate, EU & Competition
simon.albert@blplaw.com

E-commerce: Europe gets behind online content businesses

Vanessa Barnett

Journal of Direct, Data and Digital Marketing Practice (2008) **9**, 391–392.
doi:10.1057/ddmp.2008.12

The Commission has adopted a 'Communication on Creative Content Online' designed to support the development of innovative business models and encourage cross-border delivery of online content.

Areas of concern

Areas of concern

In its communication, the Commission has identified four key areas of concern:

- Availability of content: in what the Commission considers to be a 'nascent market' there are concerns that settling terms of trade for exploitation is difficult, and bundling, exclusivity and nonuse of media rights may need addressing.
- Multi-territory licensing of content: the lack of multi-territory copyright licences makes it difficult for online services to fully benefit from the internal market potential and there is a need to improve this.
- Interoperability and transparency of Digital Rights Management (DRM) systems: as yet there are no interoperable DRM solutions and there is a need to set a framework for transparency of DRM interoperability with proper consumer information with regard to usage restrictions.