

8 The Boulevard Imperial Wharf London SW6 2UB

T: 020 7384 6980F: 020 7736 9108W: mediazoo.tv

BT FACING £600 MILLION CLAIM IN OVERCHARGING SCANDAL THAT RIPPED OFF 2.3 MILLION CUSTOMERS.

A claim worth almost £600 million has been filed against BT at the Competition Appeal Tribunal by Mishcon de Reya, a leading London law firm.

The claim, on behalf of Justin Le Patourel, the Claimant Representative and founder of CALL (Collective Action on Land Lines), relates to the historic overcharging for landlines by BT, and could result in payments of up to £500 each for 2.3 million of BT's most loyal customers.

In 2017, telecoms watchdog Ofcom found that BT had been overcharging millions of landline customers since 2009. The result was that BT agreed to reduce its landline prices by £7 per month.

However, despite the huge number of customers that lost out, BT was not ordered to pay compensation for its previous eight years of overcharging. The CALL legal action intends to address this injustice.

Justin Le Patourel, the Claimant Representative and founder of CALL says, "Ofcom made it very clear that BT had spent years overcharging landline customers but did not order it to repay the money it made from this. We think millions of BT's most loyal landline customers could be entitled to compensation of up to £500 each, and the filing of this claim starts that process".

In 2017, Ofcom found that BT had been overcharging landline customers for years. Since 2009, wholesale costs of providing landlines had been falling, but the prices BT chose to charge its customers just kept on increasing every year.

This affected customers who purchased a BT landline but did not also take BT broadband. These customers were, according to Ofcom, more likely to be old, on low incomes and vulnerable.

After Ofcom's ruling, BT agreed to reduce its landline prices by £84 per year but the telephone giant did not make efforts to repay customers for the previous eight years of overcharging.

Justin Le Patourel, the Claimant Representative, and founder of CALL (Collective Action on Land Lines) is determined to put right this injustice and is today filing a claim against BT for the return of these overcharges from 2015 onwards.

Rob Murray partner of Mishcon de Reya who is representing Le Patourel and CALL says, "*The claims of customers directly harmed by BT's exploitative behaviour are precisely the type of claims the collective actions regime is designed to deal with. We hope very much that a settlement can be reached to resolve them in line with BTs acceptance of the need to avoid overcharging when investigated by Ofcom*".

In addition, Mr Le Patourel is seeking compensation for customers who took both a broadband service and a BT landline, but not together as a package (or 'bundle'). These people were excluded from BT's 2017 price cut, and so continue to be overcharged to this day.

Unfortunately, under current legal rules, it is not possible to extend the claim all the way back to the year the overcharging started in 2009. But CALL can seek damages from 2015. This makes the claim, worth £589 million, comprising £200-£500 for each of the 2.3 million affected customers,

Natasha Pearman of Mishcon de Reya who is representing Le Patourel and CALL says, "This is a specialist claim that will be heard before the Competition Appeal Tribunal. It is a classic example of a loyalty penalty, which were the subject of a super complaint by Citizens Advice, due to their harmful effects on consumers. It will take time to gather evidence and bring it to trial, but we are very confident that eventually millions of BT's most loyal customers – many of whom are older and potentially vulnerable – will receive a significant rebate".

Justin Le Patourel and CALL are seeking authorisation by the Tribunal to act for all the BT customers who were overcharged. If they are successful, then relevant UK based customers will automatically be represented and will not need to do anything further to join the action.

Anyone who had an unbundled landline from 2015 and wants to find our more information should visit the CALL website at www.callclaim.co.uk. Equally, if anyone does not want to be included in the claim, they can opt out on the same site. No fees are payable either way.

Justin Le Patourel adds, **"BT customers who had a land line from 2015 and want to know** more should get in touch with us, either by phoning 0333 212 1617, emailing us at info@callclaim.co.uk or by going to the CALL (Collective Action on Land Lines) website – <u>www.callclaim.co.uk</u>. We can also be found on Facebook (@callclaims) and Twitter (@call_claims)"

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Media Contacts: Emily Northcott (Media Zoo) <u>emily.northcott@mediazoo.t</u>v +44 (0) 20 7384 6980 +44 (0) 7876 033636

Emanuele Barrasso (Media Zoo)

<u>emanuele@mediazoo.tv</u> +44 (0) 20 7384 6980 +44 (0) 7508 048401

Note To Editors:

About Call

Consumer Action on Land Lines (CALL) is a consumer focused campaign established by Justin Le Patourel to ensure that BT customers are made aware of the compensation due to them from BT.

Despite BT's voluntary commitment to reduce the line rental price to £7 per month following OFCOM's review of the SFV services market in 2017, BT did not compensate its customers for the past wrong-doing. CALL's goal is to take action to ensure BT customers are compensated for the overcharges they were subjected to from BT from 2015 onwards.

About Justin Le Patourel

Justin is leading CALL, if appointed as the Class Representative he will be responsible for representing and acting in the best interests of all affected BT customers. Justin is a leading telecoms expert who helps to make it easier for consumers to switch if they're unhappy, or want to take advantage of a better deal elsewhere. He previously worked at Ofcom, and now champions consumer causes, advising regulators and operators around the world on policy challenges.