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Information & Communications Technology Authority

4 May 2012

Mr. Chris Hayman Chief Executive Officer Digicel (Cayman) Limited P.O. Box 700 Grand Cayman, KY1-1107 CAYMAN ISLANDS

Mr. Anthony Ritch General Manager Cable and Wireless (Cayman Islands) Limited P.O. Box 293 Grand Cayman KY1-1104 CAYMAN ISLANDS

Dear Messrs. Chris and Tony,

Re: Digicel's complaint regarding LIME's advertisement - "From Grand to Little and Brac. Only we have 100% coverage."

On 7 March 2012, Digicel (Cayman) Limited ("Digicel") filed a complaint with the Authority in connection with a Cable and Wireless (Cayman Islands) Limited ("LIME") advertisement, which appeared in a local newspaper on 3 February 2012 stating that: "From Grand to Little and Brac. Only [LIME has] 100% coverage."

In its complaint, Digicel submitted that such wording in the advertisement conveyed the messages that:

- "1. LIME provides cellphone coverage on all three islands;
- 2. on that basis it provides service on 100% of the islands; and
- 3. only LIME provides services on all the three islands."

Digicel stated that it currently provides coverage on all the three Islands (Grand Cayman, Cayman Brac and Little Cayman) and has done so since March 2004 when it launched its services in the Cayman Islands.

Digicel asked the Authority to stop LIME from continuing to publish the misleading advertisement and to require LIME to publish another advertisement of equal prominence advising people in the Cayman Islands that LIME is in error and that Digicel provides 100% coverage also.

LIME, in a response dated 23 March 2012, disagreed with Digicel that the advertisement was misleading to the consumer or conveyed any misleading messages. LIME submitted that its claim was grounded in its provision of 100% coverage of 4G mobile, Broadband and fixed line services on all three Islands. LIME stated that Digicel's provision of its 4G mobile service is limited to Seven Mile Beach, George Town and Savannah, and that Digicel's 4G WiMAX broadband coverage is limited to the areas of West Bay, Seven Mile Beach, George Town, South Sound, Savannah and East End.

Upon consideration, the Authority is of the view that LIME's advertisement is misleading to consumers in that: (a) the advertisement does not state which services LIME is claiming 100% coverage for; and, (b) it may give a false impression that it is the only telephone provider that provides 100% coverage of all services on all three Islands.

In relation to (a), the Authority considers that such a claim is likely to confuse consumers as it does not explain what the 100% coverage claim relates to. In the absence of any such explanation, many consumers will assume that it applies to all telephone services, which is incorrect. The Authority notes that, in its response, LIME explains that it provides 100% coverage on all three Islands for 4G mobile, Broadband and fixed line services - yet nowhere in the advertisement is this explained.

In relation to (b), the Authority considers that such a claim is factually incorrect. For example, the Authority is aware that Digicel provides mobile telephony on all three Islands and that other licensees will provide broadband and fixed line services to all three Islands.

On the basis set out above, the Authority upholds Digicel's complaint and directs that LIME immediately stop the current advertising campaign which is the subject of this complaint.

Digicel also asked that the Authority require LIME to publish a follow-up advertisement that LIME has erred and that Digicel provides 100% coverage also. However, given the short term nature of this advertising campaign (the Authority has directed LIME to stop such advertising) and that the Authority has no evidence of any material harm to the

market caused by the advertisement, the Authority denies Digicel's request in this regard.

Yours sincerely,

David Archbold Managing Director