

PRESS CONFERENCE

11am Tuesday 26 February 2013
Piper Alderman
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MEDIA RELEASE – TUESDAY 26 FEBRUARY 2013**PIPER ALDERMAN ANNOUNCES CLASS ACTION AGAINST VODAFONE**

Law firm Piper Alderman has announced plans to proceed with a class action against Vodafone. The action relates to Vodafone customers experiencing calls dropping out, reception issues, weak data and internet performance and poor customer service in 2010 and 2011.

Sasha Ivantsoff, the partner leading the action for Piper Alderman said:

“We know of a doctor who couldn’t receive calls in the hospital, a mother who couldn’t contact her child’s day care centre and people who have had their credit rating unfairly tarnished by Vodafone.

We believe consumers have overpaid for services that were not provided, or were misled into signing contracts with Vodafone when there was no mobile coverage in their area. We ask anyone who has experienced issues with their Vodafone service to sign up for our action by visiting www.piperalderman.com.au.”

No single claim against Vodafone is big enough to warrant its own legal action, so Piper Alderman and LCM Litigation Fund (“LCM”) will group thousands of small claims together into one action. Patrick Coope, the Managing Director of LCM, said:

“Listening to the experiences people have had with Vodafone I’m pleased to support this action so class members can participate on a no-win no-fee basis. Vodafone customers were unable to make or receive calls in areas that should have coverage like metropolitan airports and the CBD.

Vodafone has publically admitted to these faults and accepted that they responded inadequately to the complaints and concerns of their customers. While their customers appreciate the acknowledgement, it comes far too late for many people who have suffered as a direct result of Vodafone’s failure to provide them with the services they signed up for. “

Since first announcing their intention to build the class action in December 2010, Piper Alderman has received more than 23,000 registrations of interest to participate from Vodafone contract holders. It is not too late to join the class and those interested may do so by visiting www.piperalderman.com.au.

Piper Alderman aims to file the claim against Vodafone within three months. Complaints range from losses sustained by small businesses to the inability to make calls during times of emergency. The claim will focus on Vodafone’s misleading and deceptive conduct and other breaches of the Australian Consumer Law. Evidence will centre on dropped calls, reception issues and poor data performance experienced by millions of Vodafone, 3 and Crazy Johns customers.

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Class Member Stories

Jillian

Jillian is a disability support worker from Canberra. Her clients live with various disabilities and include those suffering from mental illness.

She signed up to a two year mobile phone contract with Vodafone in late 2010. Jillian used the phone to stay in touch with her clients and gave them her number to call in case of an emergency.

Jillian discovered her phone service was unavailable for a period of four weeks. She says:

“I know that my clients were trying to contact me and couldn’t get through. In at least one case it was an emergency situation. It wasn’t just a matter of my service coming and going – the phone simply did not work and my clients could not reach me when they needed me. It was very distressing for my clients and very stressful for me.”

Robert

Robert is a carpenter and relies on his mobile phone to run his business as he is usually working on construction sites around Sydney. He has often missed out on jobs because other tradesmen couldn’t get through to him.

He rang Vodafone customer service about his reception issues and was told his bill would be halved as compensation. His bill arrived the next month and it was not halved. He said he rang them again and the call dropped out three times whilst on the phone to Vodafone customer service. Robert says:

“Calls dropped out constantly, it was always cutting out. People had to ring me back a dozen times to get through. The internet didn’t work either and I need to get on there sometimes and check details about a job.”

Sarah

Sarah had a Vodafone dongle which she used for internet access at her home in Perth. She paid out her account and ended the contract as part of her preparations to move interstate.

Sarah found a property in Melbourne and was thrilled to have her offer accepted. But she missed out on the home when the bank rejected her loan application. Without her knowledge, and without contacting her, Vodafone had reported Sarah to a credit reporting agency for an outstanding bill.

As she knew she had paid all her accounts and did not have an outstanding bill, Sarah repeatedly asked Vodafone to send her a copy of her account. They could never locate it in their system. Sarah was distressed by Vodafone’s total lack of concern over her situation and failure to help her remove the false report from her credit record. She says:

“Everyone at Vodafone was revolting. They couldn’t find a copy of my account, but kept rudely telling me that I owed them money. They never contacted me about an outstanding account or informed me that they planned on ruining my credit record. I spent hours and hours on this matter and in the end missed out on the home I wanted. It was embarrassing to have to tell people I’d had my loan application rejected and it was a very frustrating experience for me all around.”

Michael

Michael was in the process of selling his business in Sydney and was relying on his Vodafone mobile phone to make and receive calls and messages from potential buyers. As a result of the network issues, he was unable to communicate with an interested buyer who was interested in buying the business for \$4 million.

He lost the opportunity to potentially do a deal with that buyer, and later sold the business for significantly less what he might have been able to negotiate with that buyer.

Michael says:

“Selling a business is stressful enough. It was made all the more aggravating by my unreliable Vodafone reception. I did eventually manage to sell my business to another buyer, but the whole experience was immensely frustrating and may well have lost me money.”

Allison

Allison is based in Adelaide and relied on her mobile phone to be called to into work as a nurse. Consistently poor reception meant that she could not be contacted to visit or treat patients. As a consequence, Allison suffered thousands of dollars in lost earnings.

She complained to Vodafone about her weak reception and was told that it would be better if she was in a larger city. After spending time in Sydney and Melbourne she found this was not the case and again contacted Vodafone. They told her that Vodafone's network coverage was fine and that the problem was 'her mindset'.

Allison also experienced issues with her Vodafone internet access including constant drop outs and Vodafone's refusal to assist her when she found her account had been hacked into. Every time she was disconnected from her computer or phone she would have to redial or ring again which would, of course, incur another charge.

Allison says:

"The people I dealt with at Vodafone were shocking. I had major problems with my phone reception which were affecting my livelihood. Rather than help me, they told me the issue was my mindset. It was exasperating!"

Tim

Tim intended to use his Vodafone mobile phone for work purposes, but it dropped out constantly and he had no service at home in metropolitan Melbourne. He was also unable to properly use his smart phone for email retrieval or GPS navigation.

Vodafone conceded that their system was not up to scratch. They acknowledged he had been double charged and admitted they could not fix his problem. Tim says:

"The mobile phone coverage was useless – it dropped out all the time. I had to walk five minutes out of my home and stand in the middle of the street just to make calls or retrieve my voicemail."

About Piper Alderman

Piper Alderman is a full-service, commercial law firm with offices in Sydney, Melbourne, Brisbane and Adelaide. Our firm is committed to continual excellence in the practice of law and we pride ourselves on listening to our clients, responding to their needs and creating practical legal solutions. For more information please visit <http://www.piperalderman.com.au/>

About LCM Litigation Fund Pty Ltd

LCM Litigation Fund Pty Ltd ("LCM") is a private company specialising in providing litigation funding to enable the recovery of funds from legal claims. LCM has been in business since 1998 and was one of the first litigation funders in Australia. For more information please visit <http://www.lcmlitigation.com.au/>

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CHRONOLOGY OF EVENTS

Date	Event	Reference
October 2010	Vodafone announces \$550 million to improve network	http://www.vodafone.com.au/doc/media-voda-bgboost.pdf
December 2010	Thousands of Vodafone customers air their complaints on the Vodafail website	http://www.vodafail.com/
21 December 2010	Vodafone issues an apology to customers on the Vodafone Blog page	http://blog.vodafone.com.au/blog/an-apology-to-our-customers/
23 December 2010	Piper Alderman announces interest in potential class action against Vodafone	
21 January 2011	Vodafail report is submitted to ACCAN, the ACCC and ACMA	http://www.vodafail.com/vodafail_report.php
22 February 2011	Vodafone apologises again to customers	http://www.smh.com.au/technology/technology-news/we-are-truly-sorry-vodafone-20110222-1b334.html
28 February 2011 to 3 March 2011	Vodafone writes to its customers to apologise once more and announces plans to spend \$1 billion on the network	
January to February 2011	ACMA launches investigation into VHA and associated companies	http://www.acma.gov.au/WEB/HOME/PAGE/PC=HOME
24 April 2011	Vodafone network outage occurs in most states	
25 April 2011	Vodafone apologies for outage and offers an SMS free day for everyone affected	http://blog.vodafone.com.au/blog/free-sms-day-to-all-customers/
8 November 2011	<p>The Telecommunications Industry Ombudsman reports:</p> <p><i>"...spike in complaints about mobile services was largely caused by two important factors: Vodafone's network issues and the increased market share of smartphones."</i></p> <p>More than half the new complaints received by the TIO were about mobile phone services, an increase of 51% from the previous year. Of these, more than 32,000 were about Vodafone, almost tripling the number of its new mobile phone complaints when compared to the previous year</p>	<p>TIO Media Release</p> <p>http://ar2011.tio.com.au/2011_TIO_Annual_Report_Media_Release_8_11_2011.pdf</p> <p>http://ar2011.tio.com.au/</p>
21 December 2011	ACMA published the results of its investigation which found it failed to inform prospective customers about higher than expected dropped calls, call set up difficulties, slower than typical data speeds and delayed SMS and voicemail	http://www.acma.gov.au/webwr/_assets/main/lib310632/investigation_report_c628-2007-vodafone_hutchison_aust-16dec2011.pdf
26 February 2013	Piper Alderman announces its intention to pursue a class action against Vodafone	www.piperalderman.com.au