

Medvedev Wants to End 'Mobile Slavery'

By Rachel Nielsen

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Officials are promoting the idea of allowing consumers to keep their mobile number when switching providers. **Igor Tabakov**

Outgoing President Dmitry Medvedev wants to force mobile providers to let customers keep their cell-phone numbers while switching providers, his top economic adviser said.

Presidential aide Arkady Dvorkovich said Medvedev "has given the order to introduce agency regulations ... that will obligate cellular companies to maintain the subscriber's number when he changes cellular service providers," RIA-Novosti reported late last week.

<u>"Mobile slavery</u>" will be ended as a result of this measure, Dvorkovich said, RIA-Novosti reported.

The announcement comes after Medvedev said at an April 10 government meeting that he would order the Communications and Press Ministry and Prosecutor General's Office to study the possibility of consumers keeping their phone number as they switch from one mobile operator to another, a practice known as number portability.

Federal officials have said such a policy would be simple. Federal Anti-Monopoly Service chief Igor Artemyev said at the April 10 meeting that the government "can simply use its authority" to implement portability and that "the outlays by the [mobile] companies are minimal," RIA-Novosti reported.

But even Medvedev's order doesn't mean that number portability is a done deal, analysts said. IKS-Consulting analyst Maxim Savvatin said portability probably wouldn't happen for "several years."

Yuly Matevosov, a senior telecoms analyst with Alfa Bank, predicted that it won't be available for another year or more.

If it comes into play, portability would increase competition for subscribers. The market share held by operators would be "much more vulnerable," Matevosov said by telephone.

A significant offer for new customers could quickly add subscribers, Matevosov said, while a major service problem could lead to a fast exodus — known in industry parlance as "churn."

Savvatin said in a phone interview that companies will use portability to shore up their subscriber base or attract new subscribers, depending on what's more important to their business model. Rostelecom could try to build out its mobile business by wooing customers from the Big Three, he said, leveraging number portability as a competitive weapon.

Artemyev said April 10 that the Federal Anti-Monopoly Service had discussed number portability with the Communications and Press Ministry for about three years.

In a short-lived consumer scare, a federal official said virtually all cell-phone owners would need to register their devices with the Communications and Press Ministry, Vedomosti <u>reported</u> Saturday. The ministry <u>posted</u> a statement on its website the same day, saying such registration won't be required.

It also said it was seeking a work-around of the October regulation that could be interpreted as mandating the registration.

Such a policy is a throwback to the 1990s, when mobile devices did need to be registered — a measure eliminated by Communications and Press Minister Leonid Reiman in 2000.

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