
Press Release**Please do not publish this information until Tuesday 08/06/2013.**Inquiry : Yeong-man Jeon, Chief, Consumer Policy Bureau, Telecommunications
Market Investigation Division (Tel. 2110-1530)
Hong-won Moon, Official (Tel. 2110-1534) mhwons@kcc.go.kr

KCC Reports Stabilization of Handset Subsidy Markets following its One-Week Ban on KT

The Korea Communications Commission (Chairman Kyung-jae Lee) has reported that the market has been stabilized somewhat following its strict sanctions last July 18 -- including penalty surcharges amounting to 66.96 billion won imposed on three mobile carriers and ban on new subscription contracts for 7 days as imposed on KT -- for the carriers' payment of unfair, discriminatory handset subsidies.

According to KCC's monitoring results during the 7-day (July 30 ~ August 5) ban on new subscription contracts by KT, the daily average of carrier changes for three mobile carriers was 19,000 cases or 14% lower than 22,000 cases as the daily average for one week prior to the ban. Such represents a 32.1% reduction compared to the 28,000 cases as the daily figure during the ban imposed on three mobile carriers (January 7 ~ March 13).

During the latest ban on KT, the carrier recorded a daily average of 8,000 cases of carrier changes, yet such was a relative improvement compared to the daily figure of 14,000 cases during a similar ban on the carrier imposed from February 22 to March 13 (20 days).

Meanwhile, the survey results also show that the current average handset subsidy provided by the three carriers is 227,000 won compared to 270,000 won as the legal limit. The amount represents a considerable reduction from 272,000 won, the average during the ban on the three mobile carriers' new subscription contracts imposed from January 7 to March 13, 2013.