

12<sup>th</sup> March 2002

Ms Annette Lovell  
Head of Customer Contact and Compliance  
Ofgem  
9 Millbank  
London SW1P 3GE

Dear Annette

**Re: Direct Marketing of gas and electricity**

Yesterday evening Colin Lloyd of the DMA passed to me your letter of 20<sup>th</sup> February with the Consultation Document for the Marketing of gas and electricity.

When I saw you last year we discussed the standards of Door to Door Sales and the Best Practice that is used by the members of the Field Marketing Council (which is part of the DMA). During the meeting we claimed that FMC member complaints would certainly be lower than the average.

Since our meeting we have conducted some research with energywatch, and a copy of this is attached. This clearly substantiates the claim we made. The figures are for the year 2000, and we are awaiting energywatch figures for 2001 so that we can run analysis for last year too.

During our discussions with energywatch we considered drawing up a 'Super Code' for Door to Door Sales Agencies to follow, and we are keen to progress this with both Ofgem and energywatch.

Our greatest concern is that all FMC members involved with selling energy are only one of a number of agencies working for any one supplier. This means that despite our better records, we are grouped with all agencies for that supplier, and tarred with the same brush as the poor performers.

Our desire is to strive for Best Practice, to assist the industry to improve its profile, and offer consumers the opportunity to participate in the savings that deregulation offers them.

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I noted that you required a response to the document by tomorrow, and whilst I have not had the opportunity to fully read and consider the document, I did feel that some of my comments would be relevant on the issue of Door to Door compliance.

As regards the issue of a doorstep selling preference scheme I will investigate this further with Colin Lloyd and get back to you with the best way to progress the matter.

I shall copy this reply to your letter to Paul Beard as I note that responses on the document should be with him by tomorrow.

If you have any queries, please do not hesitate to contact me, in the meantime I shall reach you shortly regarding the preference scheme.

Kind regards

Yours sincerely

Alison Williams  
Chair Field Marketing Committee.

**FIELD MARKETING COUNCIL****ANALYSIS OF UTILITY SALES  
YEAR 2000.****Overview**

The following results were collected from four FMC members who are active in the utility Door to Door Sales Arena.

These results are for the year 2000, so that we can measure against the corresponding figures held by **energywatch**.

	<b>FMC Total</b>	<b>energywatch Total</b>
<b>Agent Days</b>	<b>65,830</b>	<b>N/A</b>
<b>Gross Sales</b>	<b>750,054</b>	<b>8,271,000</b>
<b>Percentage of FMC</b>	<b>9.068%</b>	
<b>Gross Complaints</b>	<b>293*</b>	<b>7,605**</b>
<b>Percentage of Gross</b>	<b>0.039%</b>	<b>0.091%</b>
<b>Percentage of total energywatch marketing complaints</b>	<b>3.852%</b>	
<b>Rejected complaints</b>	<b>96 (at least)</b>	
<b>Net results</b>	<b>197</b>	
<b>Percentage Net</b>	<b>0.026%</b>	

\*These totals include both Ofgem, energywatch and CEO complaints

\*\* These are energywatch only complaints

### COMMENTS

- FMC complaints figures include those from Ofgem, energywatch and CEO complaints from the host supplier.

energywatch figures total only their own complaints.

- FMC companies account for 9.068% of the gross sales, but only 3.852% of gross complaints and 2.590% on net complaints
- energywatch complaints total 0.091% of gross sales

FMC average 0.039% of gross complaints and 0.026% on net complaints

### CONCLUSION

These figures show that FMC complaints from all bodies are significantly less than half the average complaint level received by energywatch alone.

As previously explained, we believe this is achieved with good working practices in the field, and a commitment to high standards.

The FMC would be pleased to conduct a similar exercise for the year 2001 when energywatch have their figures prepared.

We should be delighted to bring our Best Practice to the table to meet energywatch and Ofgem to consider the content of a 'Super Code' for door to door sales as soon as this can be arranged.

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