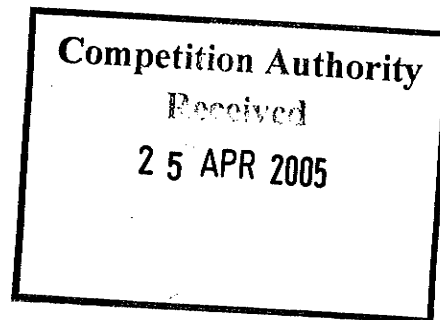


*the voice of irish business and employers*



**Secretary  
The Competition Authority  
14 Parnell Square  
Dublin 1**



21 April 2005

Dear Sir,

**Re: Competition Authority Report on Competition in Legal Services**

Further to the publication of your interim report on competition in legal services IBEC wishes to respond on one particular recommendation concerning advertising by Solicitors.

In your report you indicate the Law Society is concerned with advertising being less restricted than is currently the case as provided for in the Solicitors (Advertising) Regulations 2002. These concerns are also shared by many commercial consumers, who had the experience prior to these provisions being introduced of an increasing level of advertising of a tone and tenor which was abhorrent to them. IBEC consistently argued for a change in the arrangements and welcomed the regulations introduced in 2002.

IBEC would certainly not wish to see the reintroduction of such advertising which was unacceptable as we understand it to the majority of those in the legal profession as well as commercial and other consumers. Additionally, under such advertising, the full extent of the implications of so called "no foal no fee" offers of service were not always apparent to consumers in terms of their individual financial exposure in litigation.

We feel the collateral impact of removing or relieving existing restrictions on advertising as is proposed in your report in terms of insurance costs to consumers has not been adequately considered. The extent of the impact historically of spurious and opportunistic claims which such advertising encouraged and the impact on the costs to policy holders both commercial and private motorists was considerable.

What is proposed could in our view potentially reverse the positive benefits this and other measures introduced by Government have achieved to contain insurance costs. We believe neither option A or B are appropriate, but that the current restrictions should be retained.

Yours sincerely

**Brendan Butler  
Director Enterprise**