

# Regenerating local economies through next generation broadband

Bill Murphy - Managing Director, NGA  
BT Group

# Good news from the Government

- ▶ By 2015 “Our goal is simple: within this parliament we want Britain to have the best superfast broadband network in Europe”

*Jeremy Hunt,  
Secretary of State for Culture, Media and Sport*



- ▶ Superfast broadband available to 90% of people in each local authority
- ▶ Access to at least 2Mbps for everyone in the UK

## £830m public funding for superfast broadband in rural areas

- ▶ Between now and 2017
- ▶ £230 from digital switchover under spend
- ▶ £150 pa (from 2013) from BBC licence fee settlement



## Four NGA pilot schemes announced and wave two underway

- ▶ Wave 1: Highlands and Islands, North Yorkshire, Cumbria, Herefordshire



# What a difference ten years makes...

## 2001

Government set a target for the UK to have:

"the most extensive and competitive broadband market in the G7 by 2005"



## 2011

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## 2005

The UK has the most extensive broadband market in the G7 and the third most competitive  
(DTI annual report 2005)

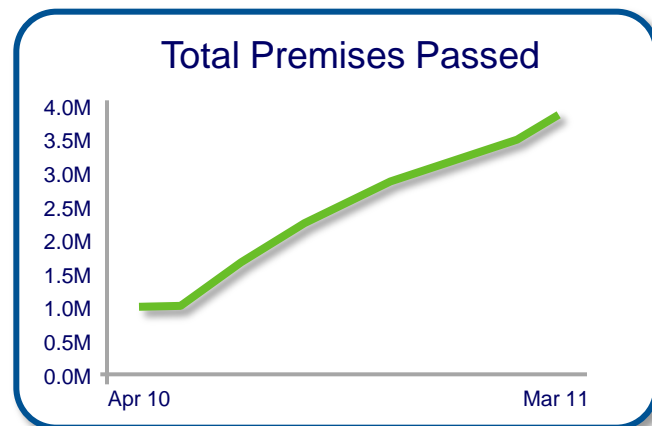
# 99%

ADSL broadband coverage



# Good progress from BT

- ▶ £2.5bn investment to reach two-thirds of UK
- ▶ 4 million+ premises passed with fibre, 5 million in the next few weeks
  - More than 400 exchanges live
  - 12,000+ cabinets live
  - Passing c. 80,000 new premises per week
- ▶ On track for 10 million premises passed in 2012
- ▶ Deploying more than twice as fast as NTT, Korea Telecom, Deutsche Telecom, AT&T, Verizon, Belgacom
- ▶ Footprint expanding by the equivalent of the population of Singapore each quarter
- ▶ 45 communications providers are using BT's fibre services
- ▶ BT Infinity launched in January 2010
  - 144,000 customers up & running
  - 5,000 new orders each week



No other company in the world is investing as much in fibre without public sector support or a regime that allows for far greater returns

# Innovation & market engagement

## Speeds

- Doubling the download and upload speeds on FTTC to approx 80Mbps and 20Mbps respectively
- Technical trials underway achieving 1Gbps over fibre



## FTTP

- 12 pilot sites – underground & overhead; 9 CPs actively trialling
- 11,000 premises passed, approx. 1000 triallists
- Commercial launch later this year

## Passive infrastructure

- Engaging with 12 CPs on Passive Infrastructure Access (PIA)
  - Launched draft offer on schedule in January
  - Trial underway with Sky & Call Flow, more to follow
  - Pricing significantly below European comparators
  - Announcing revised pricing on PIA shortly with commercial products launching in the summer

# Meeting the public sector challenge

- ▶ Drive economic growth and the creation of local jobs
- ▶ Investment in NGA can help public sector to meet challenges
  - Cost and business transformation
  - Education
  - Crime prevention
  - Wellbeing
  - Inclusion
- ▶ Public and private sector collaboration can create solutions to today's challenges that benefit all citizens
- ▶ Delivery of services and engagement with citizens changes dramatically in an online world

# Cornwall and the Isles of Scilly



## The plan

- ▶ Deliver next generation broadband to 100% of the county
- ▶ 80-90% fibre & 10-20% wireless / satellite / advanced copper
- ▶ Open, competitive, future-proof network
- 10k businesses on new connections,
- 6k businesses with improved productivity
- 4k jobs created, 2k safeguarded

## How we work

- ▶ Shared vision

Joint programmes focussing on:

- ▶ Demand stimulation
- ▶ Business support & skills, helping businesses extract benefits
- ▶ Digital inclusion & equal opportunities
- ▶ Research & innovation
- ▶ Environmental sustainability

## What we've achieved

- ▶ Eight FTTC pilots underway
- ▶ First business customer went live in January
- ▶ Four communications providers connected
- ▶ Eight exchanges live, 61 cabinets live
- ▶ Available to 15k premises
- ▶ 50 customers connected by end March

## Why we did it

To enable Cornwall & the Isles of Scilly to become the best connected rural area in the world

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# More than just infrastructure

## **Demand stimulation**

- Driving high take up
- Long term sustainability
- Deliver economic & social returns

## **Business support & skills programmes**

- Driving high growth & high value
- Assist business to extract benefit

## **Environmental sustainability**

- Minimising the impact
- Maximising the benefit

## **Research, innovation & evaluation**

- University & industry research & observation
- Measuring & driving socio-economic impacts
- Culture of innovation & new applications

## **Digital inclusion & equal opportunities**

- Drive benefit for all



# Northern Ireland

## The plan

- Increase the availability of next generation broadband to 88% of premises by 2011
- Open, competitive network
- Min 2Mbps rural, Min 10Mbps urban
- Consumer & business variants
- Completion by May 2011
- £51m investment from DETI, DARD and BT

## How we work

- Shared vision
- Working in partnership to deliver local solutions to local problems
- Joint engagement with citizens, businesses and other local stakeholders
- BT's connected communities programme tackling digital exclusion in Northern Ireland

## What we've achieved

- 1,265 new cabinets in 169 exchange areas
- 3,000km fibre laid, 120,000 hours spent
- Demand stimulation marketing underway
- Alternative technologies launched
- 1,000 business customers connected

## Why we did it

To place Northern Ireland at the leading edge of the global digital economy

# Getting the UK online



BT is a key partner to Race Online 2012, and we have pledged our support to get at least 100,000 people to go online by 2012



Mr Bob Jordan

# Transforming small businesses



- A family business
- Based in Warren point, rural County Down
- Specialist picture framers that also run a garden centre!
- Building up business outside of Northern Ireland using their website as the main sales and engagement tool
- Saving £6,000 per month in catalogue production and distribution costs
- Able to increase number and quality of graphics on the website from 50 to 1000, and starting to use YouTube to demonstrate their craftsmanship
- Improving point-of-sale experience – electronic catalogues arrive while they speak on the phone, not 30 minutes later
- Next challenge – growing the garden centre business online

# Are you ready?

Broadband is an enabler to economic regeneration, don't get left behind



Embed NGA in your strategies and plans



Engage, participate, partner and invest with us



Public-private partnerships can create sustainable solutions that provide maximum economic value



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Bringing it all together