

UK Broadband and the role of Broadband Stakeholder Group

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Agenda



History of the BSG

UK Broadband: status report

Digital Britain Report

Where to next?

History of the BSG



- Set up in 2001
- Designed to address lack of first generation broadband; stimulated
 - BT investment (exchange enablement programme)
 - LLU regime
- Pipe Dreams report published 2007

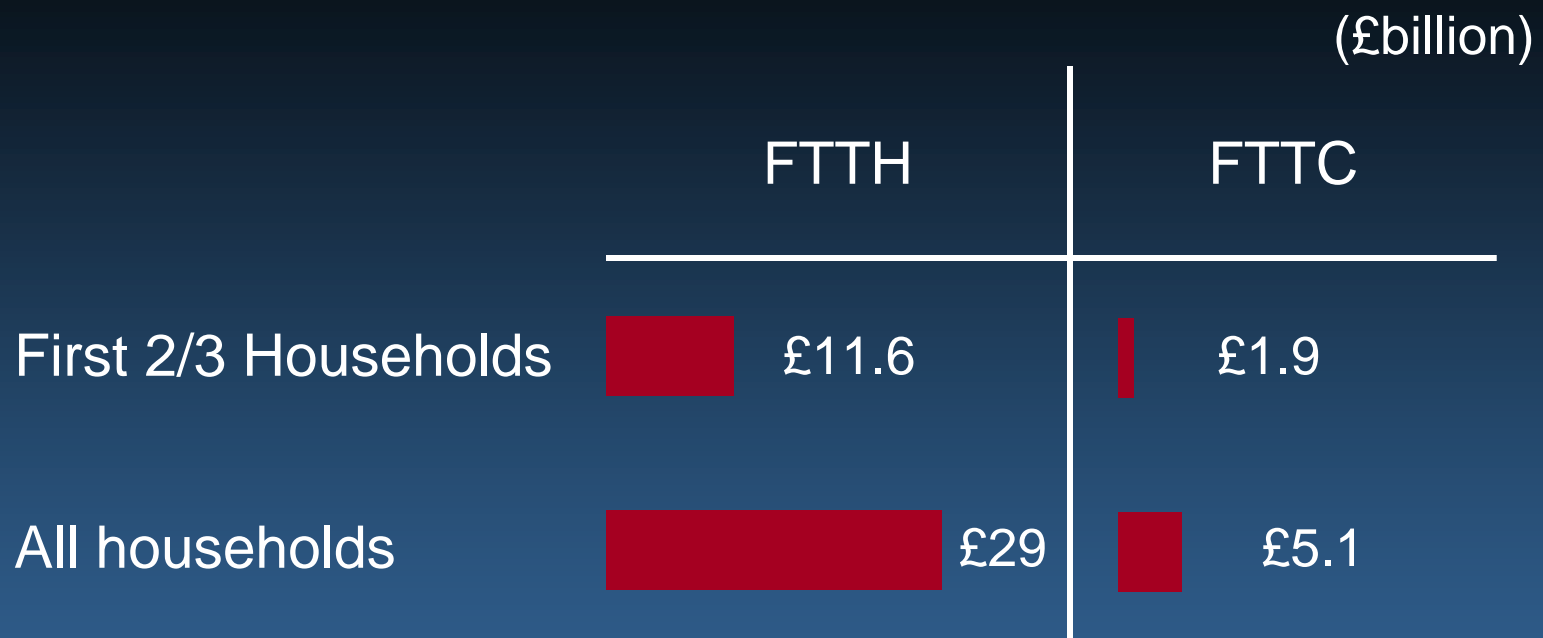
History of the BSG (2) – role, how financed

- Adviser to UK government on broadband issues
- Members include
 - Content (BBC, ITV, Sky)
 - Fixed infrastructure (BT, Virgin, Sky, Carphone, Tiscali)
 - Mobile infrastructure (3, Orange)
 - Equipment manufacturers (Ericsson, Alcatel-Lucent)
 - Decision influencers (PACT, CBI, CBN)
 - Consumers (Communications Consumer Panel)
- Key bodies: Executive Committee and Advisory Council
- Entry price to Executive Committee: £15,000 (other funding from UK Government and Intellect)

History of the BSG (3) – Pipe Dreams

- Identified absence of NGA as a potential issue for UK competitiveness
- Agenda setting report
- Raised four groups of issues
 - Policy questions
 - Business model
 - Regulation
 - Policy initiatives

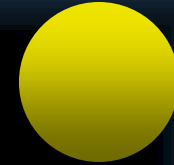
The History of BSG (4) - The UK costs of fibre



History of the BSG (5) – Roles beyond NGA

- Net neutrality
- Child safety on internet
- Protection of IP
- Online content regulation
- Digital inclusion

UK Broadband – Status report (1)



	Million households	Broadband Penetration	
BT Retail	4.4	UK	68%
Other telco	8.8	Japan	62%
Virgin	3.6	US	69%
Mobile	c2.5	Ger	55%
Total	17.5	Neth	80%

Key:  Overall
 Fibre

As in many parts of the world, coverage (99%) much higher than take-up (68%)

UK Broadband – Status report (2) - 2008

Good news

- Virgin announcements
- BT announcement
- Take-off of mobile broadband

Neutral

- Caio
 - Market functioning
 - 'steady-as-you-go'
- No great leap forward
 - But does it matter?

Bad news

- Credit crunch
- No regulatory resolution
- Spectrum blockages

The Digital Britain Report



- Interim published in January, final in May
- Big topics
 - NGA
 - Universal broadband
 - Spectrum
 - Public service broadcasting /terms of trade
 - Intellectual property
- Designed to galvanize UK communications industry

The Digital Britain Report



Big topics

- NGA
- Universal broadband
- Spectrum
- Public service broadcasting
/terms of trade
- Intellectual property

Government intervention?

2012 target

SMP

C4/BBC Worldwide


Rights agency

Where to next (1) – the big issues



- Is public intervention in NGA correct?
- What form should it take?
- What's the benefit of universality?
- Isn't take-up more important?
- What's the right balance between a liberalised and directed outcome for spectrum?
- How can the business model evolve to align investment and risk?

Where to next (2) – the role of the BSG



- Providing practical help on DBR
 - NGA
 - Universality
 - Independent spectrum broker
- Policy inputs
 - Costing wireless broadband
- Counsel/critical friend to government and Ofcom