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BIG THREE TELCOS JOCKEY FOR 5G LEADERSHIP



ANDY PENN SAYS TELSTRA SET TO LEAD IN 5G CAPABILITIES

Securing between 50-80 MHz nation-wide in the 3.6 GHz spectrum will ensure that Telstra plays the leading tole in bring 5G capabilities and super-cast connections to Australians in both urban and rural areas, the company's chief executive Andrew Penn says.

Australia's biggest telco now has 60 MHz of contiguous spectrum in all major capital cities and between 50-80 MHz of contiguous 5G spectrum in all regional areas.

Penn said: "This is an extremely significant moment for Telstra and as we set out last week at our Investor Day, 5G will bring enormous opportunities for growth.



"This is also a significant investment in the nation's future connectivity, including large holding of regional spectrum, demonstrating our continued commitment to bring the latest technology to Australians in regional areas.

"Telstra is leading the way in

working with suppliers and international standard bodies to develop the 5G ecosystem.

"This will enable us to provide the data, connectivity, low latency and speed necessary to enable new products and services that will radically alter the way we do business, consume content and connect with each other.

"We are very pleased with the outcome of the auction, both in terms of the spectrum we have secured and the overall way the auction was conducted."

Penn said before this auction, Telstra had already switched on 130 5G-enabled sites across the country and planned to have 200 sites by the end of the year.

"Over the coming months we will continue expanding our 5G coverage with plans to roll out to more capital cities, regional centres and other high demand areas," he said.

"Our aim, just as we were with 3G and 4G, is to be Australia's leading 5G provider, through the culmination of an \$8 billion investment over the five years to 30 June 2019 to enhance the capacity, capability and reach of Telstra's mobile network."

Sam Varghese



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OPTUS PREPARES FOR 5G EXPANSION WITH SPECTRUM ACQUISITION

Number two telco Optus has acquired regional licences for its customers in the 3.6 GHz spectrum band, earmarking them for the delivery of its 5G telecommunications services.

The Singtel-owned Optus won 47 regional lots for a total amount of \$185.1 million across North and Central Queensland, South East Queensland/Northern NSW, regional Victoria and South Australia, Tasmania and Southern/Western NSW.

Optus joins both <u>Telstra</u> and <u>Vodafone Hutchison</u> in successfully buying up spectrum to underpin 5G services.

The company says the new regional spectrum licences add to its existing large holdings of metropolitan 3.4 GHz spectrum and will enable it to offer 5G services to customers across Australia.

Optus Networks managing director Dennis Wong said, "The additional spectrum positions Optus strongly to deliver 5G services in cities, regions and holiday locations. We are committed to commercially launching Fixed Wireless Access services early in 2019 and we can now extend these services to regional Australia."

"Optus continues to invest in our network where it matters most to people, where they live, work and play. Whether you live in the cities, regional centres or smaller remote towns, we are expanding our premium national mobile network and improving customer experience."

Wong says Optus has delivered live trials and shared 5G proof of concepts in its network and in test environments including a "world class 5G Live! Showcase" during the 2018 Gold Coast Commonwealth Games which featured 8K video streaming on-the-go on Optus's live 5G trial indoor and outdoor network, in which speeds of 16Gbps were achieved.

As reported by *CommsWire* on Monday, Australia's biggest telco Telstra has picked up the largest number of lots in the 5G spectrum auction organised by the Australian Communication and Media Authority in the 3.6 GHz band.

Telstra paid just over \$386 million to acquire 143 lots in the auction and now has 60 MHz of contiguous spectrum in all major capital cities and between 50-80 MHz of contiguous 5G spectrum in all regional areas.

And Vodafone Hutchison has made a "significant spectrum investment" in spectrum, along with TPG Telecom, to deliver what it says it is one of the key pieces in its 5G preparations.

Mobile JV, the joint venture company between subsidiaries of the two telcos, picked up 131 lots in the 3.6 GHz band for \$263 million.

Peter Dinham



John de Ridder

Telecommunications Economist

strategic management ● wholesale and retail pricing ● regulatory issues

VODAFONE SAYS SPECTRUM BUY IS A BOOST TO 5G PREPARATIONS

Vodafone Hutchison Australia boss Iñaki Berroeta says the company's "significant spectrum investment" with TPG Telecom, has delivered a key piece in its 5G preparations.

Mobile JV, the joint venture company between subsidiaries of the two telcos, picked up 131 lots in the 3.6 GHz band for \$263 million.

Vodafone and TPG <u>announced</u> a merger in August and the consumer watchdog, the Australian Competition and Consumer Commission, is <u>conducting</u> an <u>investigation</u> to see if the joint venture raises competition concerns.



The ACCC has set 13
December as the provisional date for releasing its decision.

Said Berroeta (left): "We have been preparing for the evolution to 5G for several years, and the acquisition of spectrum licences in metropolitan, outer metropolitan and regional areas brings 5G another step closer to reality.

"The 60MHz holdings the JV has secured in Sydney, Melbourne, Brisbane,

Adelaide, Perth and Canberra give us a strong 5G spectrum capability in each of these major cities."

"While we are pleased to have secured spectrum licences in every available area, robust competition for artificially limited supply saw the companies participating in the auction pay some of the highest per MHz per pop prices for 5G spectrum in the world so far, with an average price of 29c/MHz/pop.

"It's clear there is high demand for 5G spectrum, and more suitable spectrum needs to be made available by government."

Berroeta said though VHA had secured access to 5G spectrum, completion of the merger with TPG was important to create a business to scale which had more ability to invest in networks, new technologies and competitive plans and products.

"We are in the final stages of virtualising VHA's core network. We have completed our dark fibre transmission rollout and are finalising our detailed infrastructure planning, while leveraging the expertise of our global shareholders," he said.

"Launching a new generation mobile network is a multi-layered evolutionary process which involves much more than putting some new antennas on poles, and we are progressing all elements of our 5G plans.

"Consumers won't be able to start using 5G on mobile until enabled smartphones are launched over the next few years, and we are working to launch 5G services in major cities before handsets are widely available."





The holdings acquired by Mobile JV in the auction:

- Sydney metropolitan: 60 MHz (12 x 5MHz lots);
- Melbourne metropolitan: 60 MHZ (12 x 5MHz lots);
- Brisbane metropolitan: 60 MHz (12 x 5MHz lots);
- Adelaide metropolitan: 60 MHz (12 x 5MHz lots);
- Perth metropolitan: 60 MHz (12 x 5MHz lots);
- Canberra metropolitan: 60 MHz (12 x 5MHz lots);
- Outer metropolitan areas: 40 MHz (8 x 5MHz lots) in all areas except outer Sydney (6 x 5MHz lots 30 MHz); and
- Regional areas: 40 MHz (8 x 5MHz lots) in all areas except South Australia (4 x 5MHz lots 20 MHz).

Sam Varghese

ISP TASMANET CLAIMS TO DELIVER AN NBN FIRST AT 1 GBPS

Tasmanian company TasmaNet claims to be the first ISP in Australia to deliver superfast broadband using new NBN Enterprise Ethernet fibre technology after successfully commissioning a 1 Gbps connection for St Michael's Collegiate School in Hobart today.

TasmaNet managing director Joel Harris said: "TasmaNet ordered the first 1 Gbps connection in Australia delivered over the existing National Broadband Network, in 2017 for a wholesale customer, and we worked hard to be first in Australia to order and deliver the new NBN Enterprise Ethernet fibre technology.

"We realised immediately how useful the new Enterprise Ethernet technology would be for the business, education, and government customers who rely on us to deliver specialised connection, data protection, and cloud computing solutions."



NBN Enterprise Ethernet requires a dedicated point-to-point fibre connection to be extended from the existing National Broadband Network into the customer's premises.

TasmaNet says: "By bringing fibre optic cable to potentially any premises within the NBN fixed line footprint and delivering symmetrical data upload and download performance, Enterprise Ethernet offers a cost-effective way

to achieve the kind of superfast, dependable fibre connectivity critical to future business innovation, education, and service delivery."

"St Michael's Collegiate Director of ICT Tim Innes-Brown is the kind of innovative IT professional TasmaNet loves to partner with; he understood how Enterprise Ethernet fit with Collegiate's focus on STEM and a digital learning environment and trusted our relationship enough to order the service on the first day it became available from NBN Co," Harris said.

"Tim and TasmaNet Account Manager Brendan Cooper worked closely with NBN Co and our technical staff to ensure that the fibre build and service connection happened smoothly, and the project delivery has exceeded our expectations."

According to Harris the milestone once again demonstrated how smaller regional technology companies could compete against their much larger rivals thanks to the NBN.

"TasmaNet was formed by a group of mates to bring digital services to poorly served communities in Tasmania, we've always been more focused on solving interesting problems that deliver the outcomes our customers need rather than bringing predetermined products to the mass market.

"TasmaNet decided early on to become one of the few accredited NBN Wholesale Service Providers in the country so that we could control every aspect of our service delivery without relying on one of the 'Big 4' telco companies.

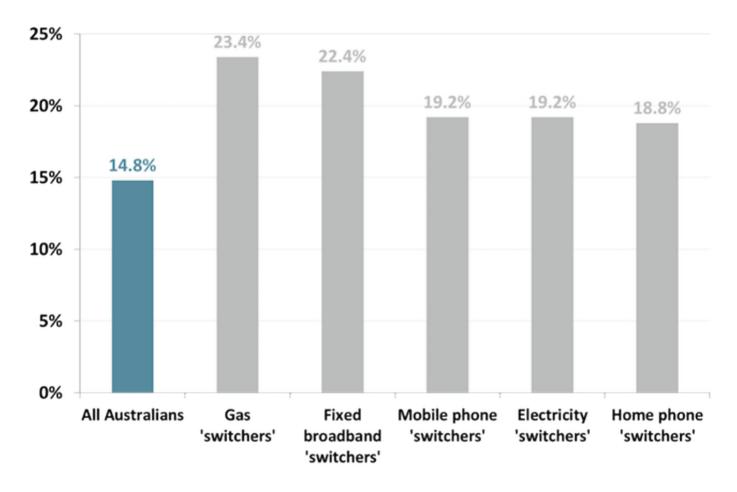
Peter Dinham

AUSTRALIANS KEEP THEIR OPTIONS OPEN ON TELCO SERVICES

Australians considering switching their service providers for fixed broadband, mobile phone, home phone, electricity and gas are all far more likely to visit comparison websites in an average four weeks than the typical Australian, according to a new report.

The latest report from Roy Morgan Research reveals that visits to comparison sites are heavily influenced by 'likelihood to switch' by consumers.

The research found that over three million Australians visit a comparison website in an average four weeks – equivalent to almost 15% of Australians aged 14-plus.



According to the research, Australia's leading comparison website is Finder.com.au, visited by over 1.2 million Australians in an average four weeks, closely followed by Choice.com.au, visited by over 1 million.

Other leading comparison websites include Canstar/Canstar Blue visited by nearly 730,000 Australians in an average four weeks, Comparethemarket.com.au, visited by almost 430,000 and iSelect, visited by just under 400,000 Australians.

The results are based on in-depth Roy Morgan Single Source interviews with more than 38,000 Australians during the nine months to September 2018.

According to the research, nearly a quarter (23.4%) of Australians say they are either "very likely" or "quite likely" to switch gas providers visit a comparison website in an average four weeks .

This is slightly higher rate than for those who say they are either "very likely" or "quite likely" to switch fixed broadband providers (22.4%).

Roy Morgan says the trend also holds true for Australians who are likely to switch mobile phone service providers (19.2%), electricity providers (19.2%) and home phone providers (18.8%).



Roy Morgan chief executive Michele Levine (left) says comparison websites are attracting a wide variety of Australians and provide a useful service for those who may be unhappy with their current level of service and looking for an alternative.

"Over three million Australians visit a comparison website in an average four weeks, representing 14.8% of Australians aged 14 and over or just over one in seven Australians," she says.

"Two comparison sites have established themselves as 'go to' places on the web to compare and contrast different service providers across a range of industries.

"Over 1.2 million Australians visit Finder and over 1 million Australians visit Choice in an average four weeks.

"Of course, not all of the leading comparison websites listed are after the same clientele. The Canstar comparison website specialises in comparing financial industry product offerings across a range of finance and insurance companies.

"Canstar is particularly popular amongst dissatisfied customers of financial institutions. Dissatisfied customers whose main financial institution is a big four bank are more than 50% more likely to visit Canstar, as well as Choice and iSelect, than the average Australian."

Peter Dinham

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