VODAFONE NZ SOLD TO INVESTORS CONSORTIUM

VODAFONE NZ ACQUIRED BY INFRATIL, CANADA'S BROOKFIELD

Vodafone New Zealand has been bought by a consortium of investors, NZ-based Infratil, and Canada-based Brookfield Asset Management for €2.1 billion (NZ$3.59 billion).

In **a statement**, the Vodafone Group, which owns 100% of Vodafone New Zealand, said once the sale was finalised, it would enter into a multi-year partner marketing arrangement which would included preferential roaming arrangements, access to Vodafone's global Internet of Things platform and central procurement functions, plus a range of services for business and consumer markets.

In 2017, the Vodafone Group had attempted to sell Vodafone NZ to Sky Network Television for NZ$3.44 billion (US$2.3 billion) but failed to get the deal cleared due to monopoly concerns.

Across the Tasman, Vodafone Hutchison Australia has tried to merge with TPG Telecom but been **blocked** by the competition watchdog, the Australian Competition and Consumer Commission. The two companies are taking the matter to the Federal Court. The Vodafone Group owns 50% of VHA.

Vodafone NZ chief executive Jason Paris said: "It's the absolute best of both worlds for customers. We've got the backing of two new world class and long-term investors, plus we can continue to tap into Vodafone's global expertise, including all the services our customers value such as global roaming, global procurement and the world's largest internet of things platform.

"The key things will stay the same – our strategy, our people, our management team, our brand, and our ability to tap into Vodafone's global products and services.

"What changes is our owners, who back our ambitious plans for New Zealand and who share our views on the importance of creating sustainable, long-term profitability in order to reinvest in the future. So it really is the best of global and local.

"Customers will benefit as we look to maximise the opportunities presented by new and emerging technologies, such as IoT, 5G, artificial intelligence and data analytics. And we know we have a lot of work to do to deliver more consistent customer service so we'll focus even more on getting it right for our customers, first time, every time."

Infratil chief executive Marko Bogoievski said, "Infratil has a proven track record of establishing long-term partnerships to realise the growth potential of our investee companies, and we are particularly pleased to have secured this opportunity.

"We are also excited to be introducing some local ownership, which will be important in terms of how we work together to grow the business over the coming years."

Vodafone NZ had about two million mobile customers at the end of 2018.

Sam Varghese

# MOBILE HANDSETS PREFERRED BY AUSTRALIANS TO ACCESS INTERNET

Mobile handsets continue to be the most common way Australian consumers are accessing the Internet while the largest volume of data is downloaded over fixed lines, according to a new data report on internet activity by the ACCC.

The *data report* on Internet activity by the Australian Competition and Consumer Commission, for the period ending 31 December 2018, also provides information on the number of retail services in operation (SIOs) by connection type and download speeds.

In addition the reports details the volume of data downloaded within Australia.

The total number of retail SIOs reached 39.9 million as at the end of last year.

Of these, 24.3 million were mobile handsets, 8.4 million were wireless broadband and 7.2 million were fixed-line/wired broadband.
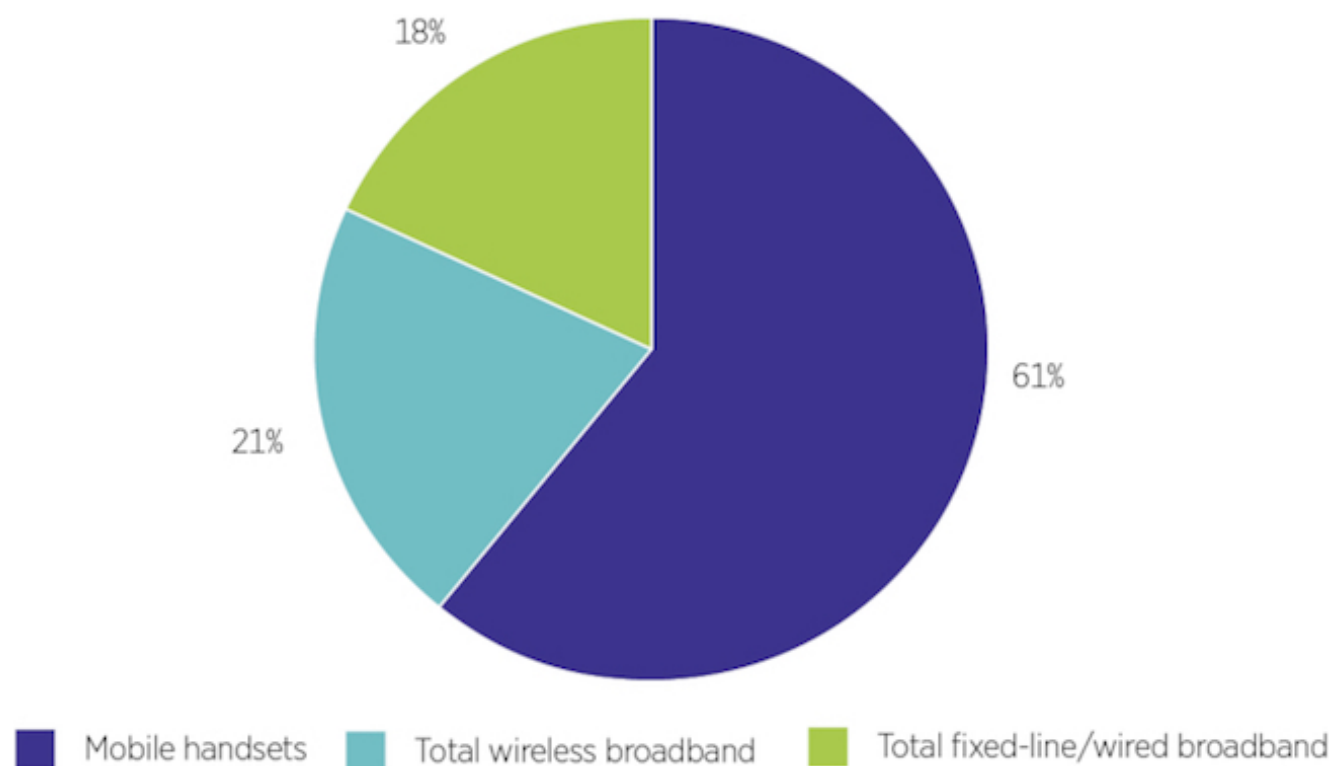

Proportion of retail SIOs by type of access connection.

"This report provides a clear indication that while consumers are most often using their phones to access the internet, when downloading significant content they currently favour fixed line connections," ACCC Commissioner Cristina Cifuentes said.

And the report reveals that he greatest proportion of total fixed-line/wired connections are fibre connections (at 49%) with DSL connections accounting for 34%.

Fixed-line/wired technologies accounted for 91% of the total volume of data downloaded. Mobile handsets and wireless broadband contributed significantly less to the total with proportions of 6% and 3% respectively.
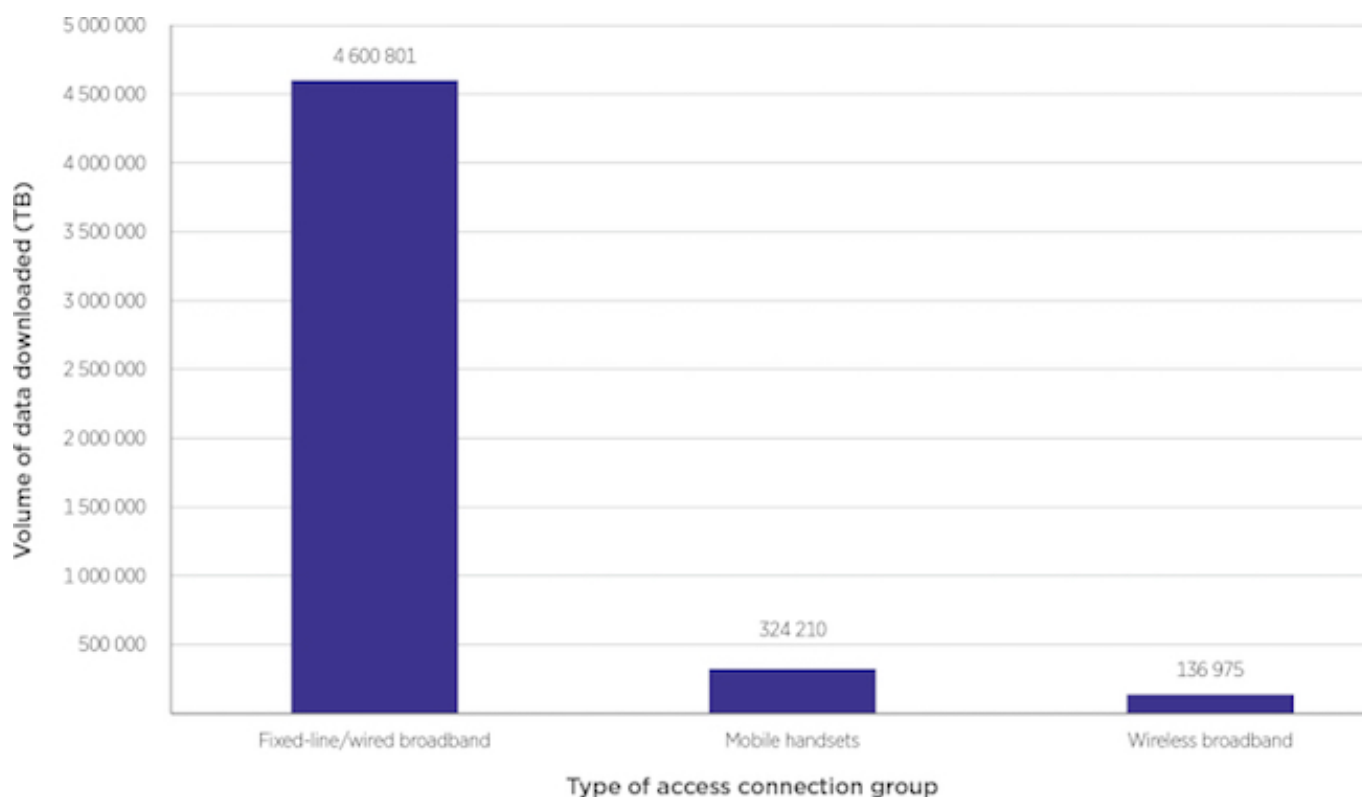
Volume of data downloaded by type of access connection group.

"The volume of data downloaded is expected to grow exponentially as the result of the increased usage of content streaming services such as Netflix, social media such as Facebook, and applications including online gaming that continue to incorporate content-rich and video components.

"The most popular speed tier for fixed line and wireless broadband SIOs (excluding mobile handset) is less than 24 megabits per second," Cifuentes said.

The report revealed that the speed tier of less than 24 megabits per second (Mbps) accounted for 61% of all fixed-line/wired and wireless broadband SIOs (excluding mobile handset).

This was followed by the 24 Mbps to less than 50 Mbps (25%), 50 Mbps to less than 100 Mbps (8%) and 100 Mbps or greater (5%).

Peter Dinham

ENCRYPTION LAW: ALP SAYS NO REPEAL, PROMISES AMENDMENTS

The Australian Labor Party has ruled out repealing the encryption law that was passed last year if it is elected, but says it will speedily incorporate the 170-odd 'urgent' amendments that were drafted, but not included in the law.

Labor's Shadow Minister for the Digital Economy Ed Husic (below) told *CommsWire* in Melbourne on Monday that the government had pledged to include the amendments as soon as parliament resumed sitting this year.

"We've said consistently since December last year that we wanted to see the recommendations of the bipartisan parliamentary committee into the encryption bill reflected in the law," he said.

A review instituted by the Parliamentary Joint Committee on Intelligence and Security as soon as the bill was **passed** on 6 December last year, with a reporting date of 3 April, was expected to provide some solace to the technology industry.

But the PJCIS **kicked the issue down the road**, asking the Independent National Security Legislation Monitor, Dr James Renwick, to review the law and report back by 1 March 2020.

"The government said it would do that. We had an understanding that those [the amendments] would go through; they didn't and we are committed to reforming the bill along the lines of what's been recommended," Husic said.

"Regardless of what the monitor [INSLM] is doing, we will still proceed with those amendments and then [the law] can be updated in due course based on what the monitor comes up with."

Asked if anything could be done to extricate those who got caught up by the law in the interim, Husic said this concern had been communicated to him by people within the tech sector.

"[These are] people who are actively considering ways to shield themselves, either by relocating data or relocating operations.

"They simply don't see the risk, compared to what the market is worth, is worth that cost and they're saying to me that they'll relocate. We need to get these laws fixed."

He said in the interim, if anyone was caught in the dragnet of the law, they would have to "basically follow the letter of the law as it currently stands".

"That's why I think there's a sense of urgency. We need to amend these laws because companies and individuals working for them shouldn't be put in that position to deal with a law that parliamentarians have have observed is deficient in key areas and needs to be fixed."

When it was pointed out to him that many experts who had commented on the law before it was passed had said that the only way to make it work was to repeal it and start from scratch. Husic said he did not think there would be any move to repeal the entire law.

"Our view is that, based on the advice we've received through a very thorough process, the amendments that have been proposed can achieve balance. We can do through amendments the type of things we need to see, particularly with respect to judicial oversight, and to change some of the really heavy-handed elements of the law."

Asked about what plans Labor had to increase the percentage of women in the tech industry, and whether it would consider quotas as it had for its political party, Husic said: "We think that having diverse businesses is good for business. If you bring on people with a broad range of skills from different backgrounds it has been demonstrated as being good for business. So we want to work with business to make sure that happens as in the announcement we made today."

He was referring to **a pledge made on Monday** to offer 5000 fee-free TAFE places to ICT students and ensuring that half of the places went to women. "We need to start the process of dealing with the gender imbalance that exists in the sector," Husic said.

"While we're keen to work with industry on that, you know, we're not ruling things in or out. We haven't contemplated a quota system, but you can imagine the calls for such an arrangement will grow stronger if the sector doesn't address it.

"But my dealings with various companies within tech is that they acknowledge it's an issue. They want to deal with it.

"Some of them are tracking performance, which is good because it means that if you've got the metrics you've got a clear picture of what's going on and you can measure if the proposals put in place to deal with it are actually working.

"So there is, I think, a commitment to do it, but we've got to see better results and if we don't, I think people will call for quotas."

Husic vigorously defended Labor's election promise to allocate $3 million for a blockchain academy in Perth, when it was pointed out to him that the tech research firm Gartner had predicted that 90% of blockchain-based supply chain initiatives would suffer what they called blockchain fatigue by 2023.

"Sometimes I get the feeling that the people who dismiss blockchain, it's almost akin to people saying why do I need the Internet when I can fax you?" he said. "You know, the reality is that technology is evolving. I haven't, you know, just decided out of the blue to support blockchain just because I woke up one morning and thought it was good. I'm watching what's happening.

"It was used as a platform for the emergence of cryptocurrency, but beyond that you can see the ASX starting to actively contemplate the use of blockchain within their operations. So in the Australian context, you know, if you've got the Australian stock exchange prepared to change its trading system and use a blockchain-based platform to do so and you can see how advanced they are in the development of that, it sends a signal to you that the technology has been taken seriously.

"Just as it is when Data61 examine the potential use of blockchain and they go through some of the scenarios that you pointed out. They have also identified there is a risk as there is with any new technology. I don't see this as a panacea. I don't see it as the next gold rush or anything like that.

"What I am saying is that when you look in different parts of the world, or when you look locally, people are taking the tech seriously and if we want to consider a wider application of the tech we need the skills to be present and that's why we made the announcement about the blockchain academy. Talking to fintechs and knowing some of the firms in WA that are using blockchain as as a key part of their offering and their operations, you know, it's better for us to think ahead about this.

"And I'm also surprised when people are sort of questioning us moving into this space because I contrast it with the regular criticism of government which is, how come government cannot think ahead and the moment we think ahead, they go, 'Oh we don't need to do that because there's something here already'. You know, you're damned if you do and you're damned if you don't."

Husic said Labor was putting forward the preparedness to invest. "We've seen what others are doing and we said to the industry they need to stump up as well. Like this won't be just underwritten entirely by government.

"We see industry stepping forward to make things like the blockchain academy work and we'll see where it goes from there."

Sam Varghese

SES NETWORKS, PNG DATACO RESTORE CONNECTIVITY AFTER QUAKE

Mobile networks and broadband Internet access for corporate and consumer customers operated by PNG DataCo have been restored by SES Networks, following a 7.2-magnitude earthquake that struck near the town of Bulolo, Papua New Guinea, on 7 May.

Connectivity for DataCo customers was disrupted due to damage caused to critical nodes of terrestrial and subsea transmission infrastructures between Port Moresby and Madang following the earthquake.

But, contingency teams from SES Networks used an additional O3b Medium Earth Orbit (MEO) beam to deliver an extra 1.5 Gbps of low-latency IP Transit service to ease network congestion on DataCo's damaged primary link.

The additional bandwidth was made available within hours of receiving a request from DataCo.

"Together with DataCo, we are glad that connectivity has been restored swiftly to enable communications and critical disaster recovery services in the immediate aftermath of the earthquake," said Imran Malik Khan, vice-president, Global Fixed Data Sales of SES Networks.

"We recognise the importance of communications services in the event of natural disasters to facilitate quicker information transfer between families and communities, as well as to coordinate recovery and search-and-rescue operations. Our thoughts are with the affected communities, and we offer our well wishes.

"It is our duty to provide the essential communications links for our customers to connect with their loved ones and facilitate critical business and operational activities,"

Paul Komboi, managing director of DataCo, said, "We are glad that SES's O3b MEO satellites has provided us and our customers with a reliable, high-throughput and low-latency solution in our time of need.

"The fact that connectivity services were restored in the shortest possible time at critical areas where our primary linkages were down has helped the local communities, businesses and organisations greatly."

Peter Dinham

OPTUS CLAIMS RECORD AUDIENCES FOR UK PREMIER LEAGUE COVERAGE

Optus Sport claims its coverage of the UK Premier League and the UEFA Champions League has scored with viewers, with both seasons' fuelling "record audience numbers".

According to Optus, must-see matches in both leagues, including Liverpool's incredible 4-0 victory against Barcelona and Tottenham's equally historic away-win at Ajax, has seen its Sport channel activated customer numbers soar 50% year-on-year.

"This morning's final round of the Premier League saw the highest ever viewing numbers for Optus Sport, eclipsing last year's FIFA World Cup, with customers streaming to watch Manchester City pip Liverpool to the title," Optus Sport said on Monday.

And, it said it has also enjoyed its biggest ever week, with unique weekly viewers up +130% in the past week compared to the corresponding week last season.

Corin Dimopoulos, Optus' head of TV and Content, claimed European football was "gripping Optus fans with sign-ups to Optus Sport swelling dramatically ahead of an all-English Champions League final and the FIFA Women's World Cup 2019 in France next month".

"We're thrilled with the strong growth of Optus Sport viewers this year and the fantastic feedback we've received from fans across the country," Dimopoulos said.

"I'm proud of our coverage and the work of our excellent production crew and very dedicated on-air hosts and commentators, such as Mark Schwarzer, Michael Bridges, Mel McLaughlin, Ned Zelic and Richard Bayliss."

Optus holds the rights to Premier League, the UEFA Champions League and the UEFA Europa League, and in the last year says it has streamed over 1000 hours of football.

Optus said:

- Audience numbers are up more than 100% year-on-year, thanks to addition of UEFA Champions League, UEFA Europa League, and UEFA Nations League content;
- Sign-ups to Optus Sport are up +50% year-on-year; and
- Volume of games on Optus Sport has almost tripled – almost 3x games a day on average.

And, according to Optus, the numbers are soaring across social media too, with the Optus Sport social platforms having a 65% year-on-year increase in followers, while in the last fortnight alone a Lionel Messi goal posted on the Optus Sport Facebook page recorded a massive 300,000 organic views and a Vincent Kompany goal 292,000 organic views.

The Optus Sport action can be viewed on Fetch, Apple TV, Apple Airplay, Chromecast, Amazon Fire TV or Xbox, or on-the-go via tablets, mobile, desktop or laptop.

Peter Dinham