

Ian Livingston, CEO of BT Group, on Broadband

At the start of 2011 the UK is building on its already strong position in communications. A key part of this is the major contribution BT is making through its €2.9bn investment in fibre and other infrastructure which will deliver the network, products and services that businesses and consumers want and need. Our programme is on track and will play a major part in helping the Government achieve its target of the UK having the best broadband network in Europe by 2015. We expect to reach 10 million homes within the next two years and will cover around two-thirds of the UK by 2015.

We are continually reviewing our plans to extend this coverage in order to bring the benefits of the technology to the maximum number of people within the scope of our commercial deployment. Part of this is to work on ways of driving up demand. You View, which will offer viewers digital TV and online (and on-demand) content via a new set-top box connected to broadband, will help on this. These things do not just happen, of course and we are trying to be innovative. For example, over the last three months of 2010 we conducted a nationwide survey to map the UK's demand for fibre broadband. We have announced the names of the six exchanges that topped the poll in our 'Race to Infinity' competition as part of this survey, and these will be provided with broadband in 2012. We have also recently named the 41 rural market towns we have added to the list of 785 areas already announced that will be enabled with fibre by 2012. These towns come from a diverse range of locations in England, Scotland and Wales including, for example, Montrose, Sheringham, Pontycmmer and Wallingford. Extending the list to areas where the economic case is even more challenging shows our commitment to deliver faster broadband speeds to as much of the country as possible.



We are looking even further ahead, with a trial of one Gigabit fibre speeds in Kesgrave, Suffolk, later this year. This will deliver some of the fastest residential speeds over fibre anywhere in the world today.

There is now a policy consensus in the UK that fibre should be deployed further and faster than the current commercial case allows. Creating partnerships and a shared vision is critical, and arrangements in Northern Ireland and Cornwall and the Isles of Scilly show this works. The Government says it will make €970 million available over the course of this parliament and the next. Were BT to win funds on that scale, we estimate that,

with supplementary funding, we could extend fibre to up to 90 per cent of UK premises, offering access on the open, wholesale basis that has created the dynamic, competitive market we have in the UK today.

This is a record of success and a vision for an even better future. We must ensure that momentum is maintained and that we are not deflected from the path of open access and the maintenance of consumer choice by those who would change the system to secure commercial advantage at the expense of the overall good. 2011 promises to be an exciting year.

Our digital agenda

In this issue, Ian Livingston, BT's Chief Executive, discusses the key developments for BT's super-fast broadband roll-out and how this fits with the UK Government's wider broadband agenda. Keeping with broadband, we also explain BT's draft proposals for duct and pole sharing, another way of opening our infrastructure to competing providers. Looking forward to next year, the London 2012 Olympic games are approaching, and as well as being the official communications services partner for the Games, BT will now chair the Communications resilience Group. And lastly, in this edition we also cover new initiatives towards our residential and business customers in areas such as financial market services, mobile health solutions, the 'YouView' platform, Digital Inclusion and discussions on Online safety for children.

Adrian Whitchurch, VP European Affairs

Super-fast broadband race is won



BT's 'Race to Infinity' competition, for communities to vote for their area to be one of the next upgraded to super-fast broadband, has proved so popular that BT has increased the number of winners from five to six.

Race to Infinity set out to find five communities where demand for super-fast broadband was highest, but because six areas all achieved extremely high levels of votes, BT has said all six will be among the first to enjoy new BT Infinity fibre optic broadband.

More than 360,000 votes were cast right across the UK in the three month long Race to Infinity survey that finished on 31 December, 2010. The next step is for

Openreach to complete a survey of the winning areas to assess and plan fibre deployment.

BT has promised to engage with any community not winning the competition, where at least 75 per cent of homes and businesses have voted for their exchange. This is to see if those exchanges can either be included in future commercial phases of fibre broadband – if the exchange is commercially viable – or enabled because of either public sector or community support as has already happened in some parts of the UK. The six successful exchange areas will be added to BT's deployment and enabled by early 2012 at the latest.

BT man to head emergency body for London 2012

David Corrie, who is part of the BT Civil Resilience team, will chair the Electronic Communications Resilience and Response Group (ECRRG), during the London 2012 Olympic and Paralympic Games.

The ECRRG is responsible for preparing for, and responding to, national incidents through the government's National Emergency Alert for Telecommunications group.

Members of the ECRRG include all fixed, mobile and internet service providers, the Cabinet Office, telecoms regulator Ofcom, the Centre for the Protection of National Infrastructure, and the Department of Business Innovations and Skills.

The BT Civil Resilience team is responsible for ensuring that the company works with UK Government and Emergency responders in planning for, and responding to, major national emergencies.



Openreach reveals draft proposals for duct and pole sharing

Openreach has announced the draft pricing and design proposals for its new duct and pole sharing products, aimed at offering communications providers an additional route to market for the delivery of super-fast fibre broadband services in the UK.

Openreach, BT's local access network division, already provides a range of different options for communications providers to access its fibre network on a

wholesale basis. The pricing, design and terms and conditions of the Openreach duct and pole sharing products are draft proposals at this stage and follow extensive industry engagement.

Steve Robertson, CEO of Openreach, said: "Although we don't view duct and pole sharing as the silver bullet to get fibre to every premises in the UK, these new products represent a positive step, opening our infrastructure to supply

industry with an even wider range of different mechanisms for delivering fibre broadband. We also think it's really important that consumers and businesses continue to enjoy a choice of fibre services so we will be expecting others to be as open as we are."

The commercial launch of the service is expected in summer 2011.

Mobile solution is a winner for NHS

Remote NHS workers are set to have patients' information at their fingertips, thanks to a three-year deal signed by BT with a healthcare trust.

Leeds Community Healthcare has opted to provide its frontline staff with BT Mobile Health Worker (MHW) – a solution that enables users to access real-time patient information at the point of care.

BT Global Services client manager Mark Allen said: "Like all NHS organisations, NHS Leeds has to balance patients' needs with the pressures put on frontline staff – who may well find their days significantly

lengthened by having to travel long distances between patients and their own office or surgery."

MHW solution – which provides a tough, lightweight laptop with built-in, high-speed broadband facilities, plus an integral NHS smartcard reader – is that it enables users to pull up a patient's notes at any location.

BT expects the MHW solution to be approved and rolled out across other areas of the Yorkshire and Humber Strategic Health Authority.



New service launched for financial markets

A new collaboration service from BT is helping financial markets professionals keep one step ahead of the competition.

Market professionals interact with their clients, colleagues and counterparties through an ever-increasing mix of communication channels. When interacting, they need to gather growing volumes of information from multiple sources and applications rapidly in order to make decisions and share knowledge and advice.

BT's collaboration service allows professionals to manage multiple real-time conversations over voice, video and instant messaging – and to select and share supporting information quickly and easily at the desktop or on mobile devices.

Howard Boville, BT head of financial markets and managing director of trading systems, said: "BT developed this innovative cloud-based collaboration service to continue to drive the industry towards faster, more informed communication and decision-making in a flexible, scalable manner which is adaptable to market or regulatory changes."

The service offers many benefits, including the ability for users to quickly see internal colleagues and counterparties and their online presence; and quickly switch to a different mode of communication while in a conversation – for example instant click-to-dial, conference or intercom while in an instant message".

Experts debate transatlantic cyber threat

BT Cisco telepresence conferencing technology has brought together 20 high-level experts at three locations around the world to discuss the potential cyber threat to financial institutions.

The transatlantic workshop was organised by Bertelsmann Foundation in partnership with BT, Cisco, Northrop Grumman and involved people located in London, Brussels and Washington.

Critical infrastructure

People taking part in the workshop included representatives of the US Department of Homeland Security, Northrop Grumman, Morgan Stanley, Lloyds Bank, the European Parliament, NATO, the Cooperative Cyber Defence Centre of Excellence, and journalists from The Economist and the New York Times.

BT was represented by Chris Pickles, BT head of marketing, financial markets and wholesale banking.

This was the first of a series of transatlantic policy debates jointly organised by BT, the Bertelsmann Foundation and Cisco, facilitated by BT's telepresence technology. The next workshop, on the topic of critical infrastructure, will take place in the spring.

BT meets ministers to discuss child safety online



BT has met government ministers to discuss protecting children from inappropriate and harmful content on the internet.

The roundtable was jointly hosted by internet service providers (ISPs) and representatives from the UK Council for Child Internet Safety.

Jon Hurry, BT Retail commercial director, and Mike Galvin, BT Innovate & Design managing director of research and technology, met communications minister Ed Vaizey, children's minister Tim Loughton, and minister for crime reduction James Brokenshire to mark Safer Internet Day.

The meeting followed BT's announcement last week that it is launching a major campaign to help parents keep their children even safer on the internet.

Jon said: "We recognise that BT and the ISP industry can, and should, do more to promote protection software and help parents enable children to get the best out of the internet, whilst managing the risks.

"To this end we are updating our broadband set-up for new customers to ensure that parents make an informed choice regarding the level of the free parental controls we provide.

"We have also updated our web-based advice and will be issuing printed booklets to help educate parents in this area. We will also remind customers at least annually about the availability of this useful software."

Ed Vaizey said: "More needs to be done to help parents protect their children and the roundtable was a useful first step.

"We will continue to work with industry to address the legitimate concerns the public has over children having easy access to inappropriate content."

Digital Inclusion – Reaching people who are not online

Internet entrepreneur Martha Lane-Fox has been busy recently in a push to get all of the UK's population using the internet by 2012. It is estimated that there are currently around 9 million adults in the UK who have never used the internet and Race Online 2012's manifesto for a 'Networked Nation' sets out how to achieve getting that missing number online.

The manifesto calls on industry to communicate the positive benefits of the internet to potential new online consumers. BT has a range of initiatives to do just that and has been helping people to get online since 2002 by bringing the benefits of ICT to disadvantaged communities across the UK. BT works closely with Race Online to do this work and acknowledges that industry has a fundamental role to play in getting people online.

Get IT Together is BT's latest campaign. It aims to help people discover the digital world through the help of an internet-savvy friend or family. BT has provided a new suite of resources at www.bt.com/getittogether to help people make their friend's first steps online as simple as possible.

YouView 'on course to transform TV market'

YouView – the free-to-air internet-connected TV service – remains on course to transform the UK's TV market.

YouView – previously known as Project Canvas – is a partnership between BT, BBC, ITV, Channel 4, TalkTalk, Arqiva and Five.

The partnership has confirmed it will have a product in trial by the end of this year, with a full consumer launch planned in early 2012 – around six months later than previously stated.

Marc Watson, BT Retail chief executive of television and online services, said: "YouView is still on course to transform

the UK TV market, ensuring everyone benefits from next-generation TV that will combine digital channels with catch-up, archive, on-demand and truly interactive TV over broadband.

"BT Vision already offers the largest library of on-demand content in the UK, and 2011 sees it getting even better with BT Vision 2.0, offering full access to BBC iPlayer, 3D content and a more personalised service, helping users find the programmes they want to watch as well as connect with other viewers with the same interests."

How to contact us

Adrian Whitchurch
VP European Affairs
+ 32 2 237 1718
adrian.whitchurch@bt.com

Till Kupner
VP Trade and International Affairs
+33 2 237 1713
tillmann.kupfer@bt.com

Henk Mannekens
European Regulatory Manager
+ 3 2 237 1757
henk.mannekens@bt.com