

The future of television

'The Future of Television' is one of the pressing issues in the communications industry at the moment. Change is being driven by consumer demands and behaviour – people no longer accept or expect to have dictated to them what they watch and when they watch it – they want to decide these things for themselves. Much of this change in consumer choice has been driven by the advent of broadband – which has transformed the communications and multi-media landscape.

Project Canvas – a partnership initially between BT (which offers pay TV services through BT Vision), the BBC (whose involvement requires BBC Trust approval), ITV and Channel 5 – will provide TV quality content over the internet and was cited as one of the methods of driving this new generation of television. This platform will be open to all content providers and ISPs who meet the standards set and has enormous potential to transform how people watch television.

A key theme is the need for policy and regulation to catch up with the increasingly converged nature of the industry to provide a competitive level playing field. A critical element of this is the need for open access to content if the UK market is to become the best and most innovative in the world, in the same way that such access has enabled broadband to flourish. BT supports Ofcom's proposal on this issue, requiring Sky to offer its premium channels to other providers in the wholesale market. Sky currently has unfettered access to BT's broadband network making it both a customer and competitor to BT and we would



like to be one of their customers in premium TV content. The competition bottleneck needs to be addressed in content, just as it has been in communications' infrastructure. This is the way to provide choice and value for customers.

So the change is here. The much talked about and long heralded 'convergence' between broadcasting and traditional communications industries is with us and now is the time for the reinvention and reinvigoration of the power of TV. The right regulatory framework will enable services such as Project Canvas and can unleash real innovation in content creation, business models and associated advertising and market revenue streams.

Seen and Heard Awards

BT has launched the 2009 BT Seen and Heard Awards – inviting young people to tell BT the ways they or their friends have used communication skills to make a difference. Run in partnership with the UK Youth Parliament, the initiative is looking to recognise young people who have used their communication skills to

tackle a particular issue and adults who have made a positive difference to young people's lives. Now in their seventh year, the Seen and Heard Awards are a key element of BT's Better World campaign, which aims to create a brighter place for all of us through improved communication.

Beyond i-2010

New policy horizons are starting to emerge, with the review of the eCommunications Framework coming to a close, a new EU Treaty adopted and important institutional changes being put in place. The effects of the economic crisis and the climate change agenda, make it clear that we are living in a changing world. Europe's citizens, SMEs, Governments and multi-national companies will look to explore new solutions, with ICT and new innovative services playing a key enabling role. More than ever we will need a dynamic, open and competitive single market for the benefit of customers, citizens and Europe's companies, as a starting position to play our role in the world, and we hope this will be one of the main policy directions coming out of the post i-2010 debate on the EU's future ICT policy.

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Current issues for customers

Small Business Week 2009 – in Association with BT Business

Small Business Week 2009, in association with BT Business, is a week-long campaign dedicated to championing the 4.7 million small businesses across the UK. Its aim is to help UK firms to compete and thrive. During Small Business Week 2009, business experts from a range of Government, business and independent organisations came together to promote the opportunities, resources and support structures available to smaller enterprises and budding entrepreneurs.

This year, small businesses themselves were setting the agenda for the week by contributing to the 2009 Business Pulse, one of the UK's largest ever surveys of smaller enterprises. It is commissioned by BT Business, NatWest, the British Chambers of

Commerce, Business Link, ACCA, Growing Business, Everywoman and supported by The Design Council and Prince's Trust. The 2009 Business Pulse will measure the health, drivers and inhibitors to successful business across the UK.

The themes covered this year by the participants were: the responses to the 2009 Business Pulse; being 'Equipped to Succeed' in any climate; being 'Equipped to Compete', how to get noticed and win business; 'Innovate to Win' by thinking differently; 'Fit for Tomorrow: Fit to Thrive' and 'securing your business' future.

The event is part of a wider range of initiatives from BT Business to help small businesses across the UK thrive and compete.



BT launches campaign to end mis-selling

misery caused by telecoms companies who hijack consumers' phone lines. According to Ofcom, one in 40 UK households, that is half a million families, fall victim to the mis-sellers every year and the cost to consumers was

BT has launched a campaign, supported by the Trading Standards Institute, calling on Ofcom to take action now to put an end to the mis-selling

£40 million last year.

The campaign proposes a new system to protect people from being scammed, based around a simple consumer pin code. If a customer wanted to switch phone companies, they would ask their existing supplier for a pin code, which they would then give to their new supplier. A new supplier can only give a customer service if they have the new code and this will provide certainty that the consumer has clearly chosen and consented to change companies.

The Trading Standards Institute and BT

Mobile termination rates – an update

In May this year BT joined forces with mobile operator 3 UK and other partners to launch a campaign calling for a significant cut in the cost of calling mobile phones. The 'Terminate the Rate' campaign is calling for an end to high mobile termination rates (MTRs), the fees charged by one operator to another for connecting a call to another network. Since the

launch, 60 partners have joined and over 110,000 consumers registered their support for the campaign at www.terminatetherate.org, signifying the level of support. In addition, 250 MPs have signed Early Day Motion 1531, calling on Ofcom to lower mobile termination rates. Along with other 'Terminate the Rate' partners, BT has sent its response to the first

BT and inclusive communications

BT helpline for CAB advisers

BT has launched a dedicated helpline for the exclusive use of the 15,000 Citizens Advice Bureau (CAB) advisers across England and Wales. CAB advisers regularly interface with organisations like BT on their client's behalf in order to resolve problems and identify the best solutions to meet their circumstances. Since July 2008, 20 per cent of CAB offices across England and Wales have been trialling the BT/CAB helpline and these offices have reported significant improvements in the resolution of queries. The new BT dedicated line is staffed by multi-skilled employees who are equipped to resolve many issues without the need to transfer callers to other departments.

Emergency text service trial launched

BT is supporting consumer trials where people with a hearing loss or with speech impairments are helping test a new UK-wide system which will allow people to send an SMS text message to the 999 emergency services from a mobile phone. Customer trials are taking place to test how well the service works with real-life emergencies and the new service is expected to launch in 2010 if the trial is successful. For more information about text-based communications visit www.textrelay.org.

have produced 'Talk to the Hand' a free guide for consumers, featuring five steps they can take to protect themselves from landline mis-selling. The guide and more information about mis-selling is available at: www.bt.com/misselling

consultation on MTRs to Ofcom, who are expected to decide over the coming year what should happen to MTRs when the current control expires in 2011. BT said that consumers should be paying a penny a minute (or less) to call a mobile rather than over four times that amount, which Ofcom's current control allows the mobile network operators to charge.

Keeping the UK ahead in communications

Ian Livingston, BT Group's CEO, sets out his thoughts on some of the main policy issues falling out of the Government's current Digital Britain programme and the importance of keeping the UK's communications ahead of the game.

We live in rapidly changing times. The pace of life, the new things available for us to do and the new ways in which we can do them affect us all in our own private lives as well as in our work. Much of this is driven by technology and, specifically, by the communications technology which BT is instrumental in developing and deploying every day of our working lives. It is our infrastructure, our products and our services which are vital elements of the future economic and social success of this country.

This was what lay behind the UK Government's Digital Britain Report. BT supported the decision to look at the issues involved. It was important to take stock of what was needed to build on the successes of recent years – the world-leading position on broadband availability, communications prices amongst the lowest in the world, prices down by 54 per cent in the UK since 1990, and the most competitive broadband market amongst the UK's major competitors. It was also important to look forward to how to replicate this dynamic market in the next generation of infrastructure.

We agree with many of the Government's aims. The Universal Service Commitment to providing 2Mbps broadband to virtually every home in the UK by 2012, for example, sits well with the overall desire to promote digital inclusion. There is at present no commercial case for BT to go beyond the £1.5bn investment in fibre-based superfast broadband we have started and so we welcome also the policy ambition for the UK to have fibre deployed further and faster than current commercial models allow. The Government's proposals for a £6pa levy to provide a fund to help towards deployment beyond current commercial viability recognises that there is nowhere in the world where fibre has been deployed in any significant way without there being some kind of Government involvement and stimulus. Proposals to clarify Ofcom's duties to promote efficient investment in infrastructure reflect the same theme.

But there are some areas where we disagree. We recognise that copyright

infringement is wrong and it makes sense for those parties affected to want to curtail it. However, the Government's proposals would shift responsibility and costs for enforcing the legal rights of rights holders onto ISPs, thereby penalising ordinary customers whether they are engaged in illicit file-sharing or not. The Government's proposals would also deny those accused of such activity the benefit of a proper judicial process.

We are also unhappy with proposals relating to spectrum. Extending the existing 3G licences in the hands of the mobile operators amounts to a substantial giveaway from the public purse to the benefit of existing mobile licence holders. There are other proposals relating to specific spectrum licences that discriminate against new entrants in favour of the incumbent Mobile Network Operators. It would be better for the Government to adopt a pro-competitive approach that ensures the consumer and the Treasury get value for money and new players get the chance to enter the market. This will bring new investment, new business models, and a focus solely on the new technologies and the services they can deliver for consumers.

We are discussing with Government all of these areas. Government must continue to promote a fully open and forward-looking environment, in which competition can deliver choice, innovation and value to all customers. We must build on the achievements of the last few years and ensure the UK remains at the forefront of communications developments.

BT – Global round-up

BT has signed a five year contract with Commerzbank, one of the largest German financial institutions, to deliver managed services for the bank's voice trading systems. BT will support systems on trading floors around the world, supplying hardware, software and services to Commerzbank's global business and financial centres as well as on-site support at the main trading locations. The first phase of the project will be the deployment at Commerzbank's 650-desk trading centre in Frankfurt, Germany, with all domestic and international centres to follow.

BT in Luxembourg has won a contract with international confectionery manufacturer Ferrero. The 40-month contract will involve the provision of BT intelligent virtual private network (iVPN) services – and builds on a long-standing relationship between BT and Ferrero. Ferrero produces internationally known products including Ferrero Rocher, Nutella, Kinder and TicTac.

BT is to provide a network linking more than 240 sites operated by Heinz, together with a range of other services, under a contract signed with the global food giant. The deal involves the provision of a multi-protocol label switching network and the supply of global managed internet gateways and associated firewalls, managed local area networks and internet protocol telephony in Europe, and global conferencing for a seven-year term.





BT awarded top recognition in five major diversity benchmarks

Creating a diverse organisation is key in delivering our business objectives. Employment policies which support and celebrate difference, ensure that people can be 'who they are' at work and operate in a safe environment where they can freely contribute their views and their perspectives. This in turn helps us to understand the needs of our customers and tailor our service offerings.

To measure our success, we work with a number of specialist organisations to independently benchmark our practices. So far in 2009 BT achieved top positions in five benchmarks, recognising our work in the areas of age, disability, gender, race and sexual orientation. In addition, Caroline Waters, our People and Policy Director (pictured above) was recognised by HR magazine as HR Director of the Year, acknowledging her personal commitment to drive our diversity agenda.

In May, **Opportunity Now** awarded us first place in their top 100 'Exemplar Employers' who are undertaking innovative work to address occupational segregation, equal pay and opportunities for women in the workplace. BT was awarded for recognising and rewarding talent in our female workforce and supporting them in their careers through flexible working and maternity, family and caring policies.

In June, **Race for Opportunity** awarded BT first place in their benchmark, which focused on transparency, measurement and monitoring of ethnic minorities in the workplace. BT is committed to representing ethnic minorities at every level in our organisation through our recruitment and selection processes, positive role modelling and support of employee networks who

represent minority groups in BT.

In August, we were recognised by **The International Gay and Lesbian Chamber of Commerce** in their Equality Index as the most gay friendly organisation in the world. The index measures the performance of multinational corporations in relation to issues affecting LGBT (Lesbian, Gay, Bi-sexual and Transgender) communities worldwide, acknowledging our working practices in the 63 countries in which we operate. Specific recognition was given to our support of a LGBT employee network, a no-tolerance approach to homophobic bullying in the workplace, same-sex partner benefits and processes to support employees through gender transition.

In September, BT was recognised by **AARP** (formerly The American Association of Retired Persons) for their International Innovative Employer Award which is made to non-US based employers who have implemented innovative practices in the workplace for employees aged over 50. Following the removal of our fixed retirement age in 2006, we have worked to support equality of treatment for the older worker and helping them prepare for retirement with, for example, flexible working provisions, information and training.

Finally we were delighted to learn in October that we were awarded joint first place in a leading disability benchmark. Supporting employees with disability is vital in our diversity strategy. We provide support on a range of disabilities from dyslexia, diabetes and arthritis through to physical, hearing and visual impairment to mental health.

We also continue to work on other agendas, notably religion and belief, family-related policies and support for those with caring responsibilities. We are also committed to innovative and flexible working practices, which we see as key in enabling our diversity objectives.

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Faster broadband speeds –an update

BT has revealed plans to more than double the availability of its fastest fibre broadband service, delivering speeds of up to 100Mbps – the fastest in the UK – to around 2.5 million UK homes and businesses using Fibre-To-The-Premise (FTTP) technology. This has the capacity to deliver far greater speeds in the future – of up to 1Gbps – should there be commercial demand. BT had originally planned to roll out FTTP to approximately one million premises – within its overall

plan to reach 10 million homes with fibre by 2012 – with the remaining homes receiving Fibre-To-The-Cabinet services (which will deliver initial speeds of up to 40Mbps). BT will now deploy FTTP in some areas where copper services are already available. The plans follow the decision by BT to trial FTTP technology at two 'brownfield' sites for the first time. The trials, which will begin in January 2010 at Bradwell Abbey in Milton Keynes and Highams Park, London, will see speeds of up to 100Mbps delivered to up to

20,000 homes and businesses in each area by March 2010. At the same time, BT Wholesale has announced its intent to significantly expand the availability of next generation copper broadband – offering customers speeds of up to 24Mbps – by doubling the current footprint for the service – bringing it within reach of 20 million homes and businesses (around 75 per cent of the UK) by spring 2011, depending on customer demand.