The much anticipated Government report published in June sets out its vision for creating a ‘Digital Britain’ and is aimed at the communications, technology and media sector – and so it is very important to us.

Overall we see the proposals as a positive way forward and more detailed views on the report are outlined in this edition.

The full implications of what it will mean for consumers and the industry continue to be digested and in the meantime we move forward with our super-fast broadband plans in the region. In July we announced that around 50,000 homes and businesses in this region will benefit from BT speeding up its plans.

BT exchanges in Durham, East Herrington, Chester-le-Street and Hetton-le-Hole are among the latest UK locations due to be upgraded next year.

The acceleration of BT’s plans is good news for the region and has been received positively by regional partners and organisations. This ongoing investment means the UK and the region continue to have world-leading broadband availability and in support of this BT also announced a pilot of Broadband Enabling Technology (BET). BET is a new fixed line solution for delivering broadband to some homes that are currently too far away from the local exchange to support broadband. Rolling out this technology will help customers and assist the Government to realise its aim for a universal 2Mbps broadband service.

We are keen to work with local and regional authorities and other bodies with funding to discuss how the technology can be rolled out to areas in the North East region. You can read more about BET and other regional activities in this edition of your new look ‘In Touch’.

Chris Sayers
BT Regional Director, North East.

---

Economic impact report

The latest version of Social Study 2009 – ‘The Economic Impact of BT across the UK’ has now been published.

Produced in partnership with DTZ, the study demonstrates the economic contribution of BT to the national and regional economies in terms of jobs, output and Gross Value Add (GVA) supported.

Against a recent background of economic turmoil and contracting markets, this report demonstrates the vital role that BT plays in the life and economic success of our UK regions and nations.

It shows that BT’s total impact across the UK amounts to £22 billion GVA which accounts for 1.8% of the UK’s total GVA.

The report highlights that, in North East region, for the financial year 2008-2009:

- BT directly employs just over 3,837 people living and working in the region and a further 554 contractors
- The total wage and salary bill of these employees is more than £110 million
- BT spent a total of £334 million with suppliers based in the region in 2008/09
- Including direct and knock-on effects, BT is estimated to support some 13,000 FTE jobs in the North East with a total value of £1.8 billion in 2008/09
- BT committed more than £1,075,00 to community, charity and voluntary programmes across the region.

Download the report at: www.bt.com/researchandreports

---

Foreword
- Economic impact report
- Digital Britain report
- Millions to benefit from free 20Mbps broadband boost
- North East pioneers new BT technology
- BT reaches key milestone – half a million wi-fi hotspots
- BT speeds up super-fast broadband plans
- Businesses fight back against the recession
- BT welcomes pay TV consultation
- NECC Innovation Report
- ‘Terminate the Rate’ campaign
- Dame Ellen urges the South Tyneside business community to help save the planet
- Home businesses to play key role in region’s future
- BT Vision Big Day Out
- Regional communities get connected
- Celebrating excellence in North East schools
- BT announces expansion of ‘Adopt a Kiosk’ scheme
Digital Britain report

The Government’s ‘Digital Britain’ report is an ambitious venture which sets out a strong vision for the years ahead. Lord Carter’s project embraces a huge range of issues covering television and radio as well as broadband communications. BT and all other interested parties continue to digest the full implications of the report as the proposals evolve. This is a major opportunity to make sure that the North East region has the framework in place to build on the success of its strong communications foundations.

The proposals on a Universal Service Commitment of 2Mbps broadband across virtually all of the UK by 2011 are designed to guarantee basic speed availability to as many as possible, although there is still much to be understood around the way the process will work. In particular, there is no detail yet on the way the proposed Network Design and Procurement Group will work to oversee funding for this and for Next Generation Access (high-speed broadband). It is important that a new bureaucracy is not introduced. It is also the case that the money envisaged for these activities depend on Government agreement with the BBC Trust over use of the Digital Switchover Help Scheme underspend.

The planned £6 p.a. levy on fixed copper lines from 2010 to support delivery of fibre-based broadband to the “final third” of the UK is an innovative way of raising new funds. We are pleased to see that Government feels that public intervention is necessary to take us beyond commercially viable roll-out but again we would be interested to see further details, including details around the terms of collection and administration.

Overall we see the proposals as a positive way forward, although much will depend on what happens next. For example, there are several potential extensions of Ofcom’s remit and powers around network infrastructure, online copyright infringement, processing (and enforcing) the £6 levy, network misuse, spectrum, internet governance, etc. It is important that in taking these proposals forward principles of embracing creativity, innovation and risk taking with investment are not harmed. The aims of the proposals are certainly to avoid such outcomes and it is important that this is remembered as the proposals develop.

Millions to benefit from free 20Mbps broadband boost

Thousands of homes and businesses across the region are enjoying a free broadband boost, as BT more than doubles the headline speeds for residential and business customers. BT Retail broadband customers already enjoy speeds of up to 8Mbps. The plans will see consumers and business in enabled areas across the region receive faster speeds of up to 20Mbps as part of their broadband service at no extra cost. Based on BT’s 21CN platform, the faster speeds will initially be available from 549 telephone exchanges, (including 32 in this region), serving more than 10 million – or some 40% – of the UK’s homes and businesses. BT plans to extend that coverage to 75% by spring 2011.

As well as boosting download speeds, upload speeds will increase to up to 1Mbps. The faster service will enable customers to surf, upload or download data in a fraction of the time, even when several users are on the same connection. This means less waiting around for complex web pages to download and graphics to upload. It is also good news for businesses looking to use rich media or boost their websites.

BT research has shown that one of the major causes of slower broadband speeds lies in customers’ home wiring. To address this, BT Retail is set to offer the BT Broadband Accelerator that eliminates electrical interference from telephone-extension wiring, and can improve broadband speeds and reliability. BT will be giving away the devices free to consumers and businesses that are likely to benefit. Crucially, this will mean more customers with marginal broadband speeds will exceed the 2Mbps threshold required to benefit from the full range of new internet services, something Lord Carter’s Digital Britain report addresses.
A town in Northumberland will be among the first in the UK to pilot new technology for tackling broadband ‘not-spots’. Ponteland is one of only 10 sites selected for testing Broadband Enabling Technology (BET), a new fixed-line solution for delivering broadband over much longer distances.

BET could play a major role in the region for delivering broadband to current ‘not-spots’, i.e. homes that are currently too far away from their local exchange to receive a broadband service, and thereby help the Government achieve its aims for a Digital Britain.

BET is capable of delivering a stable broadband service over lines up to 12km away from the exchange – more than double the current 5km limit for broadband. Initial trials in Inverness and Dingwall in Scotland have been very successful, with lines of between 7km and 12km running stable 1Mbps services. Where a second copper line is available, lines can be bonded together to provide a 2Mbps service. In addition to the two sites in Scotland, Openreach will be rolling out the technology to a small number of lines in eight locations across the country including Ponteland.

If there is funding to help meet the additional costs involved in deploying the technology, BET could offer a reliable and cost-effective solution to assist the Government’s ambition of delivering a minimum 2Mbps service to virtually all UK homes.

The BET equipment for the pilot is being installed by Openreach free of charge and the service is available to UK communications providers on a fair and equal basis. The pilot began on 30 September.

Openreach is also looking to work with potential partners to identify funding opportunities to allow the technology to be deployed on a wider, commercial basis from early next year.

In a further announcement Openreach is also set to trial Fibre-To-The-Premise (FTTP) technology in ‘brownfield’ sites for the first time. The trials will begin in January 2010. Two locations – Bradwell Abbey in Milton Keynes and Highams Park, London – have been selected for the trial, which will see speeds of up to 100Mbps delivered to up to 20,000 homes and businesses in each area by March 2010. BT originally pledged to roll out FTTP to approximately one million premises as part of the company’s plans to deliver super-fast broadband speeds to 10 million premises by 2012, using a combination of FTTP and Fibre-To-The-Cabinet (FTTC) technology. BT will now deploy FTTP to around 2.5 million UK homes and businesses and some of this will be in areas where copper services are already available. This represents a broadening of BT’s strategy as initially FTTP was to be deployed in new build sites only.

Derek Richardson, Openreach General Manager in the North East, said, “These latest developments are really critical to the success of UK plc. The potential of BET to extend broadband to the remaining ‘not-spots’ in the region is really exciting. By rolling out BET, we can help customers and assist the Government to realise its aim for a universal 2Mbps broadband service.

“We are making good progress with all aspects of our fibre programme and we are keen to continue to work with local and regional authorities and other bodies with funding to discuss how this new technology can be rolled out to their areas.”

BT reaches key milestone – half a million wi-fi hotspots

BT is halfway towards its goal this year of building a million-strong wi-fi hotspot network with high-speed public wireless broadband now available at 500,000 homes, businesses and city centres in the UK and Ireland including 15,000 wi-fi hotspots here in the North East region.

The sites include hotspots provided by the BT FON wi-fi community, BT Openzone, 12 ‘wireless’ city centres – Newcastle in this region, plus BT Openzone hotspots via the BT Business Hub. Well known brands offering access include Hilton, Thistle and Ramada Jarvis hotels, Caffè Nero and Starbucks coffee stores, Welcome Break and RoadChef Costa service stations, BA, Flybe and SkyTeam airport lounges.

For more information about BT FON visit www.bt.com/btfon. For BT Openzone, visit www.btopenzone.com. For BT Openzone over the BT Business Hub see http://tiny.cc/kFCGZ
BT has revealed that about 50,000 homes and businesses in the North East will benefit from it speeding up plans for super-fast broadband, with BT exchanges in Durham, East Herrington, Chester-le-Street and Hetton-le-Hole. These are among the latest UK locations due to be upgraded next year.

Nationally the acceleration of BT’s plans will see 1.5 million UK homes have access to fibre broadband by early summer 2010*. A million of those homes will have access by March, which is a doubling of the original pace of deployment.

The plan is the first chapter in BT’s longer-term programme to make super-fast fibre broadband available to 40% of the UK – or some 10 million homes – by 2012. The company has pledged to spend £1.5 billion, the UK’s biggest single commercial investment in fibre broadband, on this programme.

Chris Sayers, BT regional director, said: “This is excellent news for the region and continues our tradition of being a leader in the provision and adoption of broadband technologies. The North East is an enterprising and innovative region, which will obtain maximum benefit from this latest major investment.

“We are working closely with regional authorities, agencies and partners to ensure that we remain at the leading edge of the communications revolution.

“Broadband has played a vital part in the success story of the region. Businesses are using it to boost their competitiveness and find new customers, whilst households are benefiting from new entertainment and educational opportunities.”

Unlike other companies, BT will offer access to service providers on an open, wholesale basis thereby supporting a competitive market.

*Openreach announced the first 31 exchanges covering 500,000 homes in March 2009.
BT welcomes pay TV consultation

BT has welcomed the latest Ofcom consultation proposing remedies for distortions in the pay TV market. This follows on from Ofcom’s conclusion that Sky is dominant in wholesale Core Premium Sports and Movie Channels markets and that competition and innovation have suffered as result of this market power.

The final outcome will impact on every consumer in the region who would like to have access to premium sports or movie channels, a choice of suppliers and lower prices. BT, which offers pay TV services through BT Vision, believes that the pay TV market is structurally flawed because competitors cannot outbid Sky for key content. As a result, customers are paying too much and have too little choice.

BT is supporting Ofcom’s proposal to require Sky to offer its premium channels to other providers in the wholesale market, so that they can enter the pay TV market and provide customer choice. We also believe it is very important that Ofcom makes a full set of channels available and Ofcom sets clear prices for these channels as there will be no new competition if Sky can price the channels to keep out competitors and if only a few channels are made available.

BT continues to invest in building the most competitive communications market in the world by opening up its network to competition. Sky has ‘unfettered’ access to this network whereas BT and other competitors are ‘locked out’ of Sky’s own network. BT wants a level playing field of regulation in which we give open access to our network and we and others can for the first time get fair access to premium channels.

NECC Innovation Report

The findings of a study undertaken by the North East Chamber of Commerce (NECC) and backed by BT in the region have recently been published. NECC carried out interviews with more than 20 North East companies that had gone through a process of innovation in a variety of fields.

Chris Millman, BT Regional Board member chairs the NECC Innovation Task Force which has overseen the creation of the report. Chris said, “Innovation has been named as one of the five drivers of productivity and is central to regional strategies in the North East. It is more important than ever to help businesses in the region develop the products processes and services which will set them apart from their competitors.”

The achievements of businesses who took part in the survey are inspirational but they have rightly laid down a number of challenges regarding how innovation can be better encouraged and supported in the North East. Business Support, finance, physical infrastructure, skills, knowledge, collaboration and culture are all areas featured in the recommendations of the report. For further information and to download a copy of the report go to www.northeastinnovation.co.uk

‘Terminate the Rate’ Campaign

Earlier 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. As well as BT and 3 UK, other partners include the Federation of Small Businesses, Carers UK, the National Union of Students and the GMB, as well as a number of local authorities.

‘Terminate the Rate’ is aiming to bring down MTRs to around a penny or less, saving consumers and businesses across the UK millions of pounds.

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 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. Consumers and businesses across the region are being asked to register their support for the campaign at www.terminatetherate.org
Dame Ellen urges the South Tyneside business community to help save the planet

Dame Ellen MacArthur, BT global corporate responsibility ambassador was the guest speaker at an environmental business event in South Shields earlier this year.

Dame Ellen said her experience while setting her world record made her acutely aware of the precious and finite nature of our natural resources.

Dame Ellen joined several other speakers at the event, which was organised by BT South Tyneside and Groundwork, as part of South Tyneside Business Week.

BT has for many years been a real leader in the UK in taking a sustainable development approach to managing its business and is taking specific and clear action on reducing its impact on the environment, and has best practice exemplars to inspire and demonstrate how others can do the same. BT’s 2009 sustainability report is available online at www.bt.com/betterworld.

Home businesses to play key role in region’s future

Policy makers from across the region attended a seminar organised by Work Wise North East (WWNE) to debate how home businesses can play a key role in the region’s future prosperity.

Emma Jones, founder of Enterprise Nation and author of the Home Business Report, was on hand to discuss the findings.

Emma explained, “Home businesses are redefining the traditional growth model of a start-up business by focusing on increasing turnover, not headcount. These businesses will grow via new product development and outsourcing, whilst simultaneously reducing CO₂ emissions and reaping economic and social rewards.

“With the home business market booming, Enterprise Nation is determined to highlight the critical role played by home enterprise within the economy and how many home-based businesses could be the platform for launching a new generation of entrepreneurs. It is our aim to highlight the potential of home business start-ups as a growth market within the regional economic strategies of development agencies across the country.”

For further information go to www.enterprisenation.com

BT Vision Big Day Out

BT Vision provided big-screen, open-air viewing to people throughout the UK on August bank holiday. The first BT Vision Big Day Out included a programme of free family entertainment of the latest films, music and TV.

The open air screens were provided at venues across the UK including Middlesbrough in our region and also further afield in Manchester, Plymouth, Portsmouth, Derby, Swansea, Norwich and Bradford.

The ‘Live Sites’ programme is being run in a partnership between London 2012 and the BBC, in association with London 2012 partners BT and Lloyds TSB – and with funding from the Olympic lottery distributor.

The screens will carry a combination of local and national news and other BBC content, in addition to London 2012 updates, partner films and local community focused output such as university graduations or local art projects.

Simon Roberson, BT Regional Manager, said, “BT is all about bringing it all together for London 2012 – technology, people, communities and entertainment. That’s why we’re so excited about the ‘Live Sites’ programme. The BT Vision Big Day Out is the first major activation using the live sites and it’s great that BT is leading with this.”

During the Games, there will be a national network of permanent and temporary screens – which will enable local communities across the regions to gather and watch London 2012 events.
Regional communities get connected

Forty community and voluntary groups in the North East have been awarded a laptop and a year’s broadband internet connection. Applications nearly doubled from last year for the popular BT Community Connections scheme.

The awards will enable the successful community organisations to get online and experience the benefits of the internet, helping them develop their skills and encourage their members to support each other in their own digital journeys.

Julie Lowther, a member of BT’s Regional Board and chair of the North East judging panel said, “It is great to see such a range of applications from so many different community groups throughout the region. The awards will help these community groups take full advantage of the tremendous opportunities offered by the internet.”

Organisations and services in the North East region benefiting from this BT scheme include Jamboree Youth Organisations (pictured left), Hartlepool Rovers Football Club, Newcastle Muungano Community Association, Tees Youth Link and Stanley Woodcraft Folk.

If you feel your community organisation would benefit from a BT Community Connections award, you can simply log on to: www.btcommunityconnections.com or write to PO Box 6919, London W1A 8UX to request an application form.

BT announces expansion of ‘Adopt a Kiosk’ scheme

BT is expanding its successful payphone adoption scheme, which has already resulted in parish councils taking over ownership of three red kiosks in the North East. The company is now contacting local authorities across the region inviting them to consult with their local communities on the possibility of further kiosk adoptions.

The ‘Adopt a Kiosk’ scheme has already proved a great success and parish councils across the UK have taken the opportunity to become the owners of traditional red kiosks no longer needed as working payphones, but which have an iconic place in the local community.

The ‘Adopt a Kiosk’ programme allows local authorities to take ownership of much loved, but rarely used, red telephone kiosks. For only £1, BT will remove the telephony and hand over ownership of the kiosks to the local authority. Local communities can protect their heritage by retaining these historic structures, which have become British cultural design icons.

In the North East there are more kiosks that potentially could be available for adoption. The scheme was introduced in response to requests from local authorities in many parts of the UK.

Further details and an application form are available on the BT Payphones website at http://www.payphones.bt.com

Celebrating excellence in North East schools

To celebrate excellence in schools throughout the North East, winning headteachers, teachers, teaching assistants, governors and sustainable schools each received a ‘Plato’, the Teaching Awards symbol of excellence in education.

Simon Roberson, BT Regional Manager, presented the Primary School Teacher of the Year award to Lindsay Ford, from Rockcliffe First School, Whitley Bay. Simon said, “Great teachers help children become the best they can be. BT wants everyone to thrive which is why we’ve supported the Teaching Awards and the ‘Primary School Teacher of the Year’ in particular, for many years. The awards provide the perfect platform from which to celebrate teachers for their continued dedication and commitment to society – supporting them is part of our ongoing commitment to education across the UK.”

To celebrate excellence in schools throughout the North East, winning headteachers, teachers, teaching assistants, governors and sustainable schools each received a ‘Plato’, the Teaching Awards symbol of excellence in education.

Simon Roberson, BT Regional Manager, presented the Primary School Teacher of the Year award to Lindsay Ford, from Rockcliffe First School, Whitley Bay. Simon said, “Great teachers help children become the best they can be. BT wants everyone to thrive which is why we’ve supported the Teaching Awards and the ‘Primary School Teacher of the Year’ in particular, for many years. The awards provide the perfect platform from which to celebrate teachers for their continued dedication and commitment to society – supporting them is part of our ongoing commitment to education across the UK.”

Image courtesy of BT Heritage, www.bt.com/heritage