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 45,000 homes and businesses in this region will benefit from BT speeding up its deployment plans with two BT exchanges in this region. Basingstoke and Dartford are 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 will continue to have world-leading broadband availability and in support of this BT has 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 it. 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 South East region.

You can read more about BET, Digital Britain, exciting super-fast broadband developments and other regional activity in your new look ‘In Touch’.

Mike Galvin, BT Regional Director, South East

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**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 the South East, for the financial year 2008–2009:
- BT directly employs just over 12,200 people living and working in the region and a further 380 contractors
- The total wage and salary bill of these employees is more than £392 million
- BT spent a total of £3.5 million with suppliers based in the region in 2008/09
- Including direct and knock-on effects, BT is estimated to support some 90,000 FTE jobs in the South East with a total value of £11.3 billion in 2008/09
- BT committed more than £3.4 million to community, charity and voluntary programmes across the region.

Download the report at: [www.bt.com/researchandreports](http://www.bt.com/researchandreports)

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![BT logo](image)

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The Government’s ‘Digital Britain’ report is an ambitious venture that 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 South 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 funds 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 the 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 those 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 concerning 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 designed to avoid such outcomes and it is important that this is remembered as they develop.
Two communities in the South East will be among the first in the UK to pilot new technology for tackling broadband 'not-spots'. Twyford, Berkshire and Horsham in West Sussex are two 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 that are up to 12km away from the exchange. This is more than double the current 5km limit for broadband.

Initial trials in Inverness and Dingwall, 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 Twyford and Horsham.

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 will be 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 1.0 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.

Mike Galvin, BT Regional Director, 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.”

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 and 35,000 wi-fi hotspots here in the South East region. The sites include hotspots provided by the BT FON wi-fi community, BT Openzone, 12 ‘wireless’ city centres, and 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 shops, Welcome Break and RoadChef Costa service stations and 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 speeds up super-fast broadband plans

BT has revealed that about 45,000 homes and businesses in the South East will benefit from it speeding up plans for super-fast broadband by early summer 2010. BT exchanges in Basingstoke and Dartford are among the latest UK locations due to be upgraded next year.

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.

Mike Galvin, BT’s 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 South 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.

Businesses fight back against the recession

Small businesses in the South East are fighting back against the recession with more than two thirds (71%) expecting an upturn next year, according to new research from BT.

Business Pulse 2009, the UK’s largest survey of small and medium businesses this year, also revealed that 61% of the region’s firms remain confident or very confident about their own business prospects.

Many say that they have emerged from the recession as stronger businesses. Nearly half (47%) report that they have changed the way they operate for the better – for example, by better management of costs – with only 18% saying the recession has changed their business for the worse.

The Business Pulse findings from more than 7,000 UK small firms were revealed at the start of Small Business Week 2009, which is dedicated to championing commercial, industry and Government support for the UK’s 4.7 million-plus smaller enterprises. It is supported by BT Business, in partnership with the British Chambers of Commerce, Business Link, the ACCA, NatWest, Growing Business and everywoman.

The BT-commissioned survey also showed widespread recognition of the importance of technology in reducing costs and increasing efficiency and competitiveness. More than half of respondents (62%) said faster broadband speeds had had a positive impact on their business. Better web sites, better e-commerce and mobile devices were also particularly beneficial.

For further information and to download the full 2009 Business Pulse report visit: www.sbw09.co.uk/businesspulse
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.

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
BT announces expansion of ‘Adopt a Kiosk’ scheme

BT is expanding its successful payphone adoption scheme, which has already resulted in parish councils in the South East taking ownership of nearly 50 traditional red kiosks in the region. 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.

Across the UK some of the 350 kiosks already adopted are being put to unusual uses, such as an art gallery.

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 South East region there are more than 700 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

BT Vision Big Day Out

BT Vision provided big-screen, open-air viewing to people at venues 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. Open air screens were provided at venues across the UK including Portsmouth in our region and also further a field in Manchester, Bradford, Plymouth, Derby, Swansea, Norwich and Middlesbrough.

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 arts projects.

Peter Cowen, 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 South 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.

Denise Westbury-Haines, BT Regional Board member and chair of the South East judging panel said, “It’s great to see so many applications from such a range of community groups throughout the region. The awards will help them take full advantage of the tremendous opportunities offered by the internet.”

Organisations and services in the South East region benefiting from this BT scheme include Action for Youth in Hampshire, Folkestone Migrant Support Group, Positive Futures Inclusion Project in St. Leonards-On-Sea and Street Dreams in High Wycombe. If you know of a community organisation that could benefit from a BT Community Connections award, you can log on to: www.btcommunityconnections.com or write to PO Box 6919, London W1A 8UX to request an application form.

Celebrating excellence in South East schools

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

Steve Davis, BT Regional Board member, presented the Primary School Teacher of the Year award to one of the winners Sarah Gingell from New Ash Green Primary School (pictured right). Steve said, “Great teachers help children become the best they can be. BT wants everyone to thrive that’s why we’ve supported the Teaching Awards and the ‘Primary School Teacher of the Year’ in particular, for many years.

These 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.”

Reaching for Gold

Youngsters in the South East are being encouraged to go for gold and gain valuable insights into the world of business. The London 2012 group within the South East England Development Agency’s (SEEDA) corporate cabinet that is headed by BT Regional Manager Peter Cowen is running a competition called ‘Reaching for Gold’.

‘Reaching for Gold’ is a unique collaboration of nine corporate partners, including BT, SEEDA and three leading voluntary and community sector organisations, working to support the future of the South East’s economy.

The competition invites 14-19-year-olds to develop ideas that “make the most of 2012” for one of three themes – youth, community and disability. All the projects must include opportunities for international collaboration as youngsters are invited to work creatively with their peers from competing nations overseas.

Peter said the teenagers are encouraged to work in teams to develop skills that are vital to working in the new economies of the future, whilst meeting the needs of their communities today.

Successful youngsters will win the latest kit from Toshiba, Sony and others and have the chance to be mentored by an experienced corporate partner, helping them to prepare for a ‘Dragons’ Den’ style final to be held at Windsor Castle in December.

Winning applicants will receive the ‘Reaching for Gold’ trophy and £5,000 towards the development of their project. Peter said, “‘Reaching for Gold’ is a great opportunity for young people in the South East to gain a real insight into the world of business, to grow valuable global links and to create a real legacy for 2012.

“Through this unique opportunity, they have the chance to work with both corporate and voluntary and community sector partners to develop their projects.”