



The Realities of LLU in Ireland

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Agenda



- Obligatory Corporate Intro
- History of Telecoms in Ireland in a single slide
- How do you unbundle the Exchange
- How do you unbundle the Customers
- What's coming over the Hill

Agenda



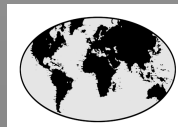
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Magnet Networks



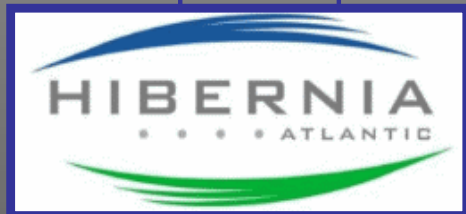
- Magnet Networks part of Columbia Ventures Corporation
- Private Investment Company
- Telecoms Assets in UK / USA / Australia

CVC – Investments



Columbia Ventures Corporation —

Privately held investment company



(Ireland)



(United States)



(United States)



(United States)



(Australia)



(UK)



(Ireland)



(United States)



(United States)



(United States)



(United States)

Magnet Networks



- Magnet Networks started September 2004
- FTTH launched December 2004
- Acquired LEAP in mid 2005
- LLU launch in September 2005
- Acquired Netsource in 2006
- Two Brands
 - Magnet Entertainment = Residential
 - Magnet Business = Corporate

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History of Irish Telecoms



- P&T became Telecom Eireann in 1984
- Fully Digitised PSTN in mid 1980's
- ESAT Telecom begins offering service in 1994
- Telecom Eireann now Eircom floats in 1999
- BT takes over ESAT in 2000
- 2001 Eircom taken over by Private equity
- Refloated in 2004
- Taken private again in August 2006

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Unbundle the Exchange



- Magnet was the 3rd operator to Unbundle
- BT was first
- then Smart
- Colt was the 4th
- Process takes quite a while to complete
- 6 to 9 months is the normal timeframe
- Begins with a Site Survey (€3k)

Unbundle the Exchange



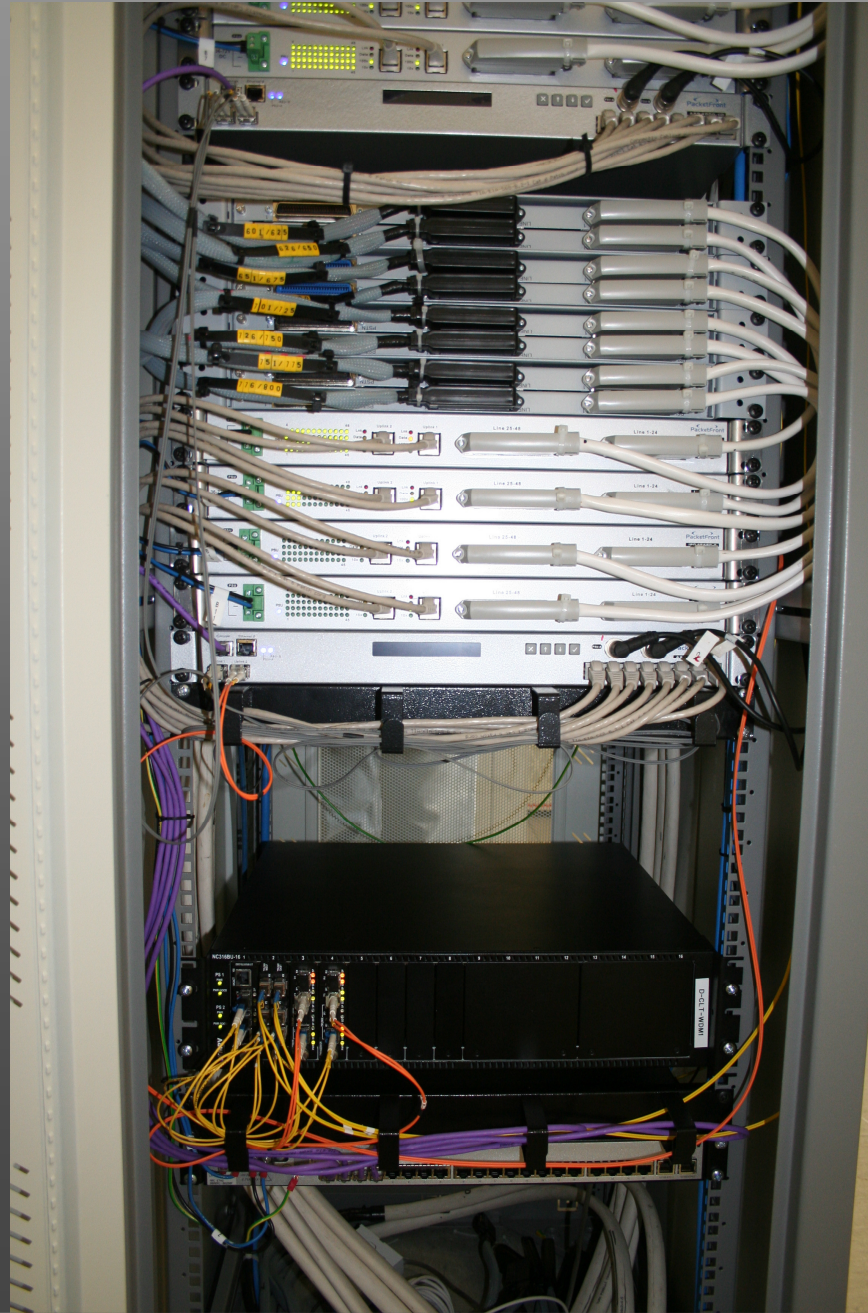
- Eircom will then offer a license ? (€3k)
- Site Preparation (€700 per footprint)
- Power Provision (€4k per Kw)
- MDF terminations (€523 per 100)
- Fibre Installation (€230 + €14 per metre)
- Process Fee 15% of the above

Unbundle the Exchange



- Rental €130 - €560 per footprint times 1.3 – 2.98
- Services fee of €90 - €203 per footprint
- Power service charges 2x of retail
- MDF terminations €20 per 100
- Process Fee 15% of the above

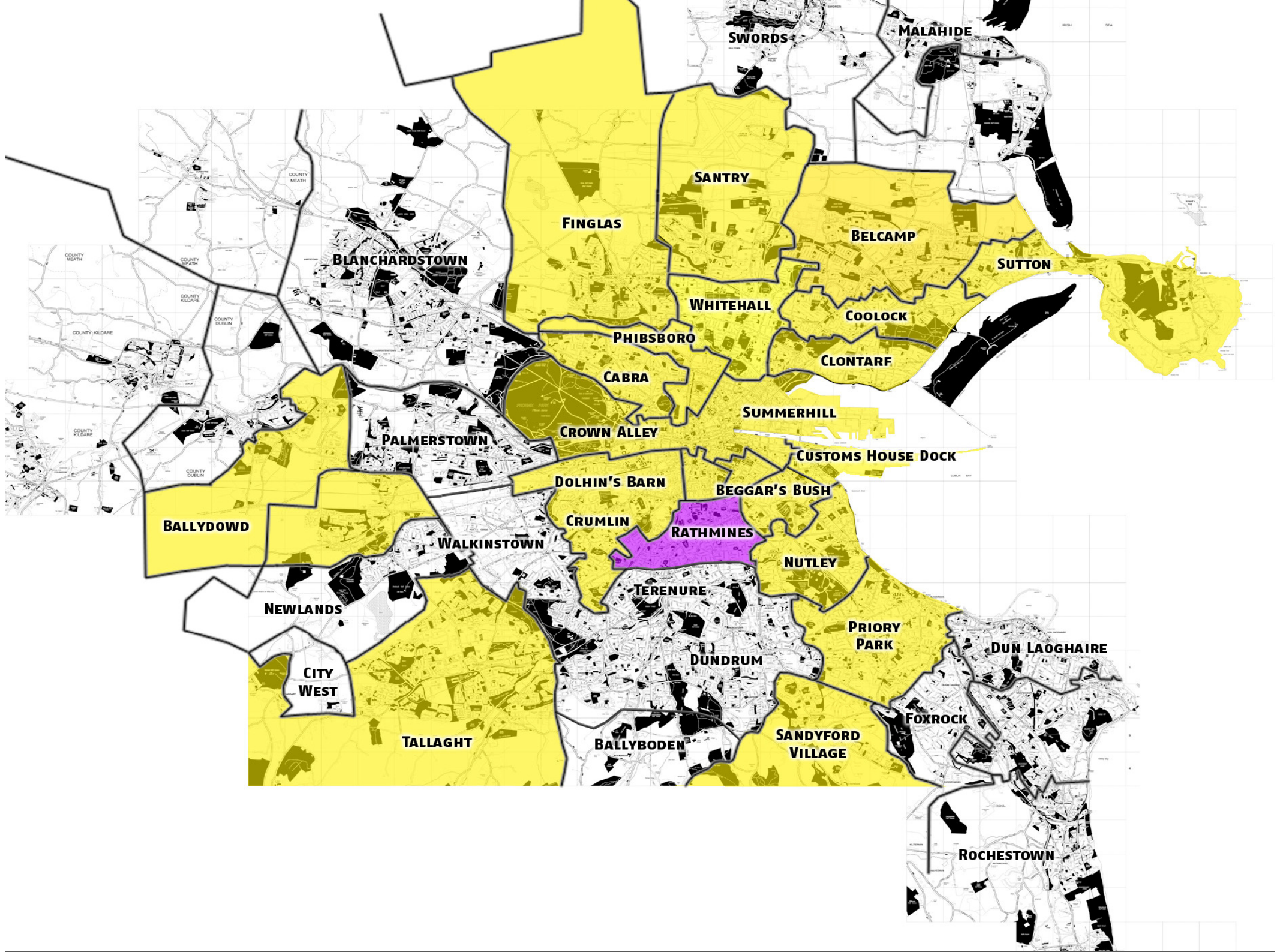
Unbundle the Exchange



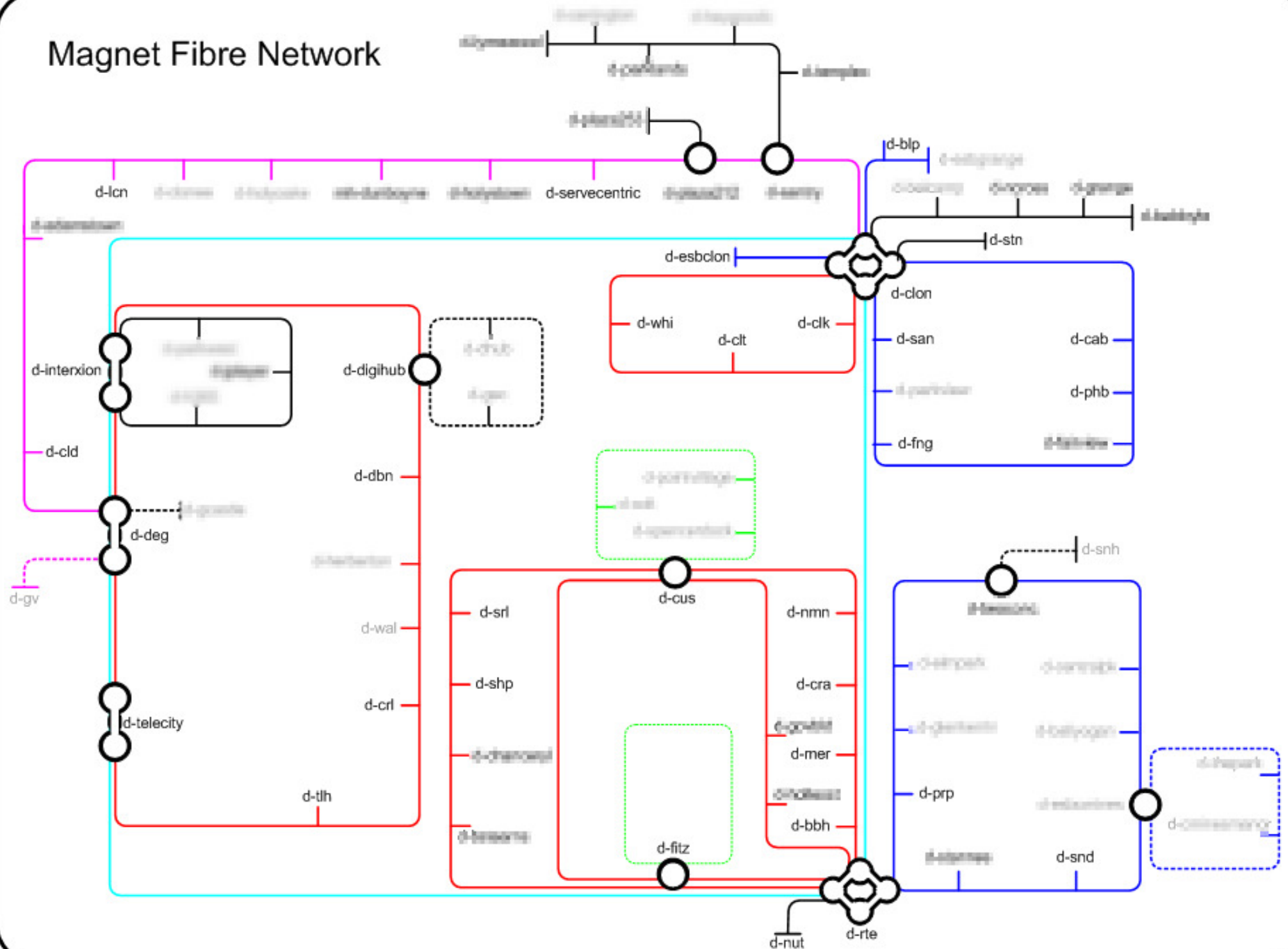
Unbundle the Exchange

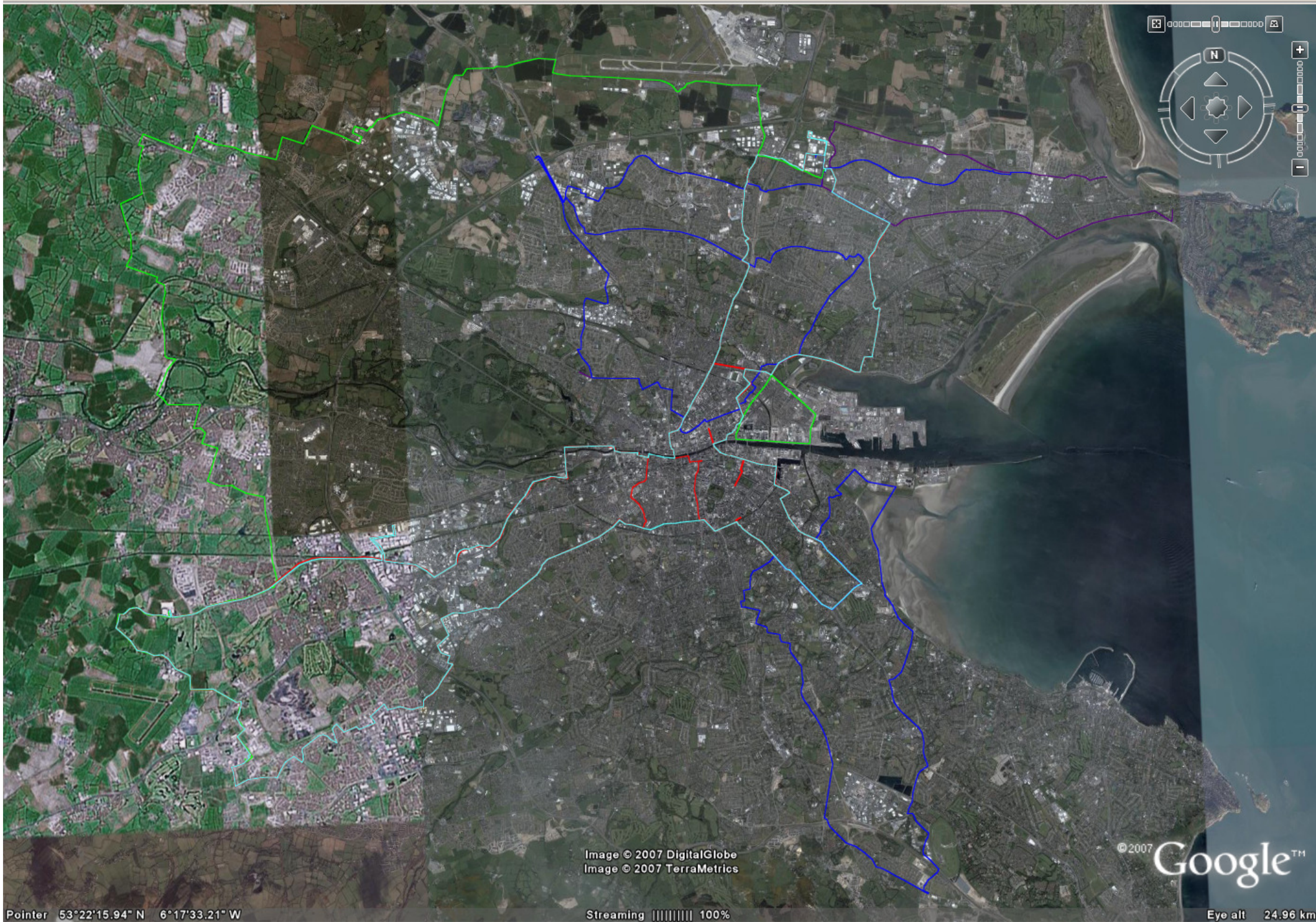


- So all of that gets you a rack with power in an exchange
- Fibre cable running from rack to manhole in the street
- MDF terminations
- Now time to go buy some DSLAMs and optical equipment
- Lease Fibre if there is any
- Civils to get to handover chamber
- Only exchanges near 3rd party fibre get unbundled
- Several of the Largest Exchanges not unbundled
- Government Fibre plant outside of Dublin
- Costs €120 for 30 minutes to visit exchange
- Unescorted access costs €350 per engineer



Magnet Fibre Network





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Unbundle the Customer



- Process was not smooth for the user
- Customer had to change number
- Unbundling takes 10 working days

Unbundle the Customer



Unbundle the Customer

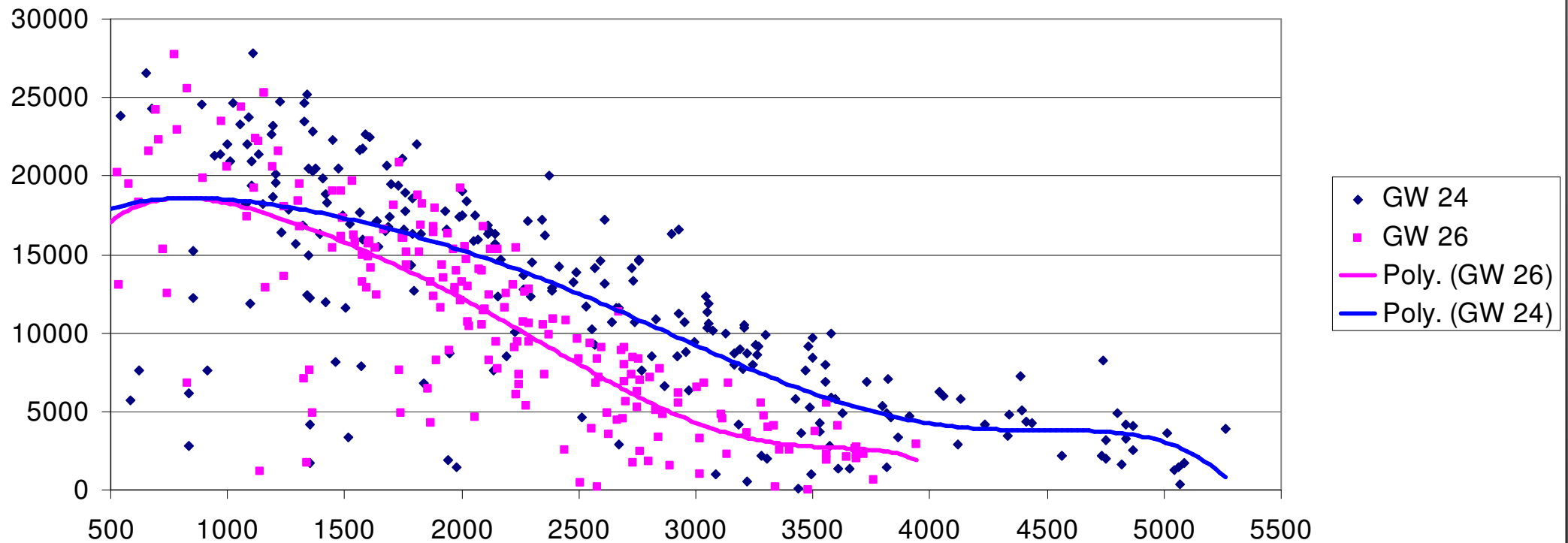


- Bitstream / WLR / CPS / LLU prevented unbundling
- Number portability fixed last year
- Bitstream / WLR / CPS / LLU inter operator transfer soon
- Intra Operator still prohibited

Show me the Graphs



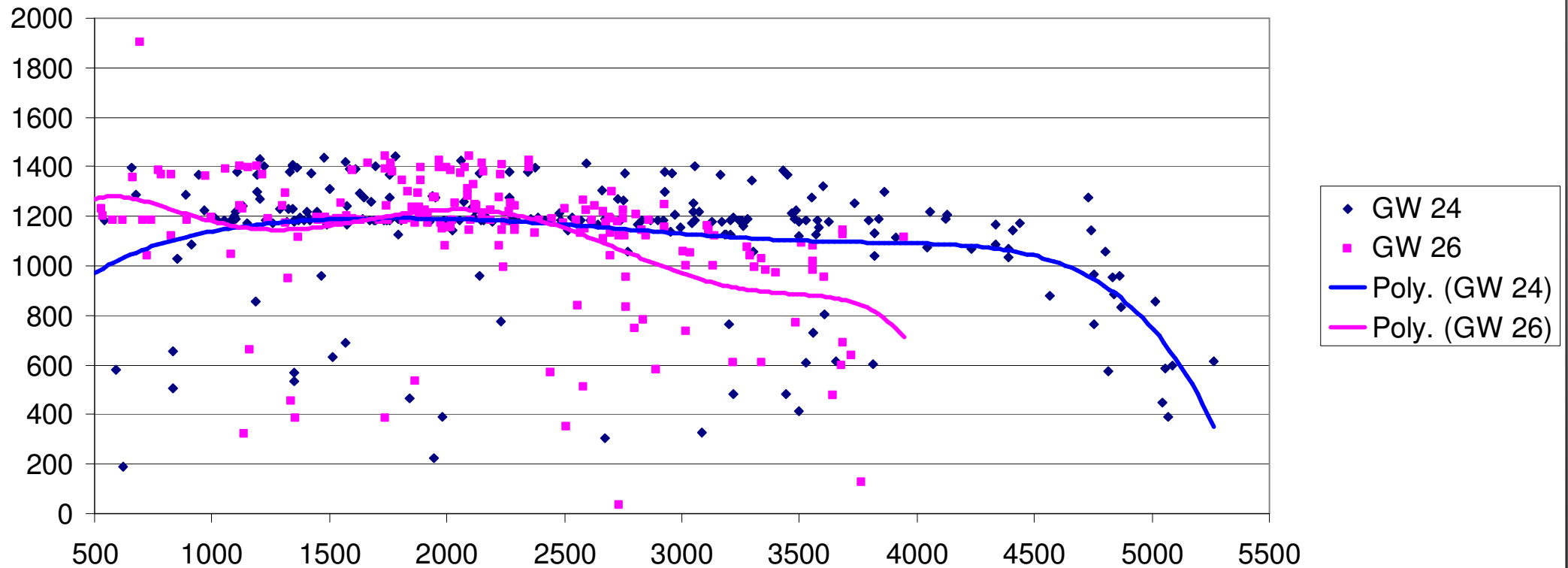
DownStream Attainable Rate vs Length



Show me the Graphs



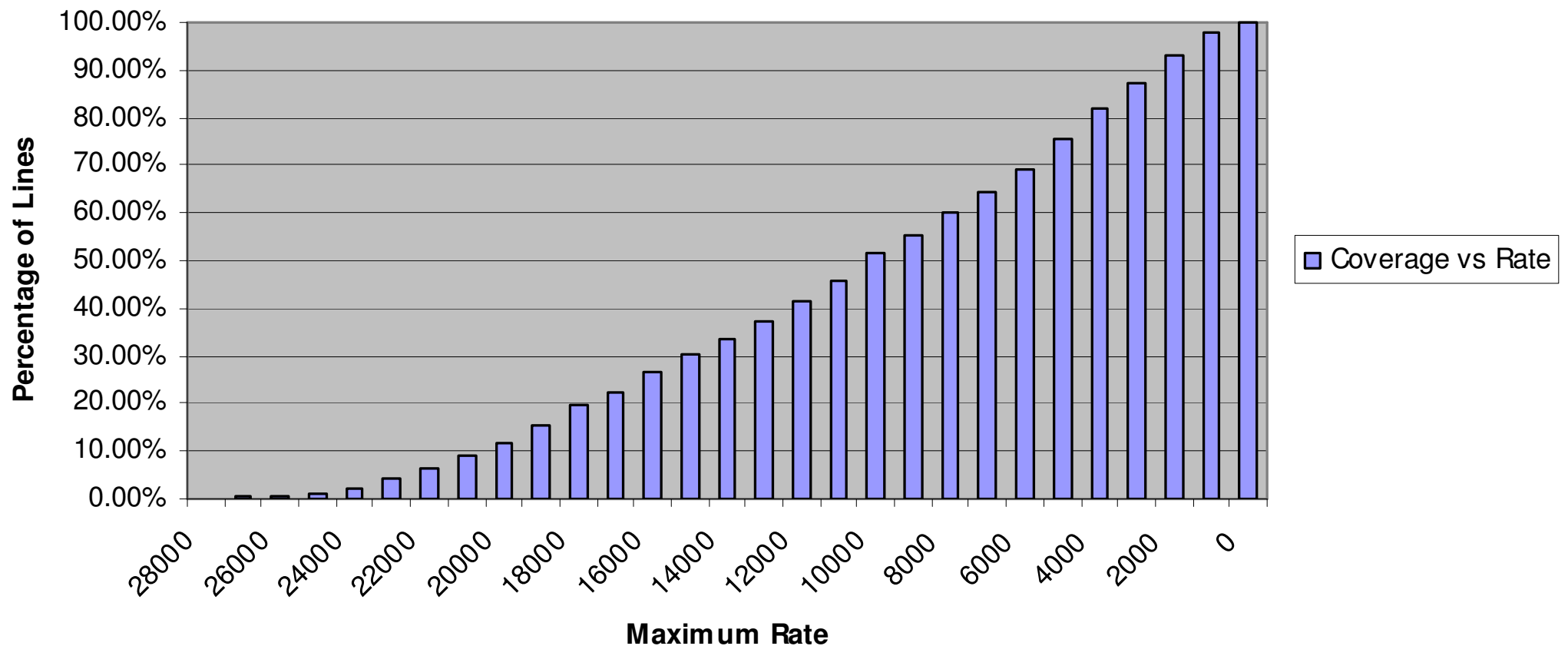
UpStream Attainable Rate vs Length



Show me the Graphs



Coverage vs Rate



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Is it a Bird, Is it a plane



- Bitstream Access not as expensive as IP Stream
- Makes LLU less attractive
- Eircom about to deploy FTTC / VDSL2
- 37 Exchanges to 1137 Cabinets
- Minor new fibre for Eircom to reach all locations
- Only 10Km with 612Km existing

Questions

