



NEWS FOR RELEASE AT 12:00 MONDAY 20 JUNE 2005

ISPs ASK OFFICE OF UTILITY REGULATION TO REVIEW BROADBAND MARKET

The independent Internet Service Providers (“ISPs”) have formally requested the Office of Utility Regulation (“OUR”) to accelerate the OUR’s planned review of the Broadband Access market in Guernsey. They have also asked the OUR to place a moratorium on Cable & Wireless’s plans to double the bandwidth available to all business and residential broadband customers until the review is completed.

The independent ISPs, represented by Newtel Solutions, Guernsey.Net and Itex, have approximately a 20% share of the Broadband Access market in Guernsey. Cable & Wireless control the balance. Cable & Wireless announced their plans to offer their enhanced bandwidth services on 13 May. The independent ISPs have been in discussion with Cable & Wireless about the conditions under which they can introduce increased bandwidth services to their customers as well.

Peter Funk, a Director of Newtel/Guernsey.Net said:

“Despite the fact that we are some of C&WG’s largest customers we were not consulted by C&WG about their plans before their public announcement. We are completely dependent upon access to C&WG’s network to provide services to our Broadband customers. We want to improve our Broadband offering and to lower prices. That is what competition is all about. But despite discussions with C&WG since their announcement we have been unable to reach agreement with them on specifications, terms and conditions and costs for an enhanced Broadband offering that we can provide to our customers through their network.”

Richard Parker, Managing Director of Itex (Guernsey) Limited went on to say:

“The real issue here is who controls access to the local loop for Broadband and other services. C&W in the UK has installed their equipment in BT’s exchanges for their Broadband services. We want to achieve the same position with C&WG here. That seems fair to us. In view of the position we have asked the OUR to accelerate the review they were planning to carry out in any case. Let’s see what they have to say.”

The ISPs are awaiting a response from the OUR.

- **Release Ends** -

General information for Editors:

- o Newtel Solutions is an alternative telecommunications carrier offering a range of voice, data and video services in Jersey and Guernsey.
- o Itex (Guernsey) Limited is part Itex the largest offshore IT services group with offices in Jersey, Guernsey and the Isle of Man.
- o Guernsey.Net is a wholly subsidiary of Newtel Solutions.

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