

COMMSDAY AUCKLAND SUMMIT postponed to 26/27 July due to plane disruptions

Due to the widespread disruption to flights across New Zealand and Australia it has become apparent that many attendees of our Wednesday/Thursday COMMSDAY AUCKLAND SUMMIT will be unable to make it along. As a result we have reluctantly decided to POSTPONE the event to Tuesday 26 and Wednesday 27 July – at the same venue. This NEW DATE is confirmed for the same Hilton venue.

Contact Sally Lloyd at sally@commsdaymail.com for more details

COMMUNICATIONS DAY

15 JUNE 2011

What's happening today in telecom business, policy & technology

ISSUE 4001

Nextgen details new NBN wholesale strategy

Nextgen Networks has launched a new secondary wholesale strategy for the NBN, integrating NBN access with its own backhaul network to help RSPs reach their customers across Australia – regardless of their size and geographic scope.

Beating other budding NBN wholesalers and ‘virtual ISP’ players such as Telstra and Optus to the punch, Nextgen’s new offering could answer one of the issues raised with NBN Co’s model of 121 points of interconnect: the challenge smaller RSPs face in actually reaching many of those POIs. But according to Nextgen MD Phil Sykes, the launch will also pave the way for a flurry of new service providers to enter the market, from cloud and storage specialists to SME system integrators.

“Our original position on the number of points of interconnect was based on the view that we would be an active wholesale provider in that marketplace, focused on assisting service providers to get to their NBN customers. And with the NBN Connect product, I guess we’ve reinforced that commitment,” Sykes told CommsDay. “There’re a significant number of service providers that service different parts of the market: system integrators who focus on the IT environment for small business, application and infrastructure service providers that are offering cloud computing services to business customers, storage specialists evolving in this marketplace. So we see a tremendous potential for a range of new service providers to enter the market, and our objective is to make it as easy and cost-effective [as possible] for those service providers to get to [their] customers, wherever they are.”

Sykes explained that NBN Connect is split across four product offerings. Two will see Nextgen buying NBN access tails and combining them with its national core network to allow RSPs to reach their customers directly; in this way, small to medium providers with a presence in a single data centre can connect to a Nextgen POP in those facilities and market services out to anywhere within the NBN footprint.

“For the smaller to medium service providers who perhaps are operating on a regional basis in a local area, this enables them to get to market very quickly,” said the Nextgen MD. “We take care of all the operational aspects of acquiring tails, and presenting those customer connections back to the service provider’s data centre. If a regional service provider wants to expand, they can then just simply go into new areas, organised by NextGen obtaining access, and combine that again with the national network back to the service provider’s data centre.”

“Everybody’s talking about [how] you’ve got to get to a POI to service your customers; what we’re doing is bringing the NBN, effectively, into Australia’s major data centres, where most service providers already have their equipment and infrastructure. Really, it’s almost a ‘patch and go’ to the NBN.”

The other two products are focused on connecting to POIs, and are aimed at the bigger end of town. “For the larger service providers, existing established ISPs, they’ll want the most efficient way to get to the POIs,” said Sykes. “Most likely, they’ll buy transmission links for that particular requirement; some may also want virtual private networks across the whole country, which we can also provide.”

PRICING TO BE DETERMINED: Nextgen has already announced the first customer for the service: Townsville RSP Internet Solutions, which will use NBN Connect to provide services to customers across

the NBN first release sites. But how effective Nextgen's new offering will be at enabling smaller RSPs to play competitively on the NBN will be determined in large part by pricing – and those details have yet to be hammered out.

“The only pricing which has been made publicly available by NBN Co is really residential internet services; the pricing for higher-grade circuits, circuits for business-grade services and others is still being evolved by NBN Co,” said Sykes. “We’re in a trial at the moment, and we’re understanding as an industry what are the prices, what are the cost... and I think over the next six months, particularly with the first release site trials, you’ll see more clarity.”

“At this stage, there’s not a specific price book that we can put on the table – we need to work closely with NBN Co to formulate pricing across our portfolio of NBN products.”

Petroc Wilton