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Build it and they will come – right?

Wrong. The field of dreams only happens in films. In the real world it takes a lot of effort. A telling example with lessons for Australia is Cornwall.

Late last year, British Telecom announced plans to install 150,000 kilometres of fibre cable in Cornwall. BT is providing £78.5m and there will be up to £53.5m from the European Regional Development Fund. The European Commissioner for regional policy, Johannes Hahn, said it was the largest investment of its kind supported by EU funds. Sally Davis, the chief executive of BT's Wholesale division, called the venture an "absolute landmark" for the company and said "This is the most ambitious rural fibre project in the world."

Why Cornwall?

It is because Cornwall has proved it knows how to promote broadband. Back in April 2002, Cornwall invested € 20 million (from various sources including € 4.5 million from British Telecom and € 7.5 from the EU) in project actnow to bring ADSL to the region. It had stretching objectives. Within the first three years, actnow was supposed to achieve a coverage rate of 50% and a broadband penetration of 3300 businesses (equivalent to about 18% of all businesses). BT was sceptical because an earlier development of the DSL infrastructure in a rural region in Wales had only reached 3% broadband penetration among businesses 1.5 years after its launch. However, actnow achieved a coverage rate of 99% within the first four years and the challenging target of 3300 businesses using broadband connections was reached a year ahead of time.

Actnow has changed the image of Cornwall, from a rural laggard to a region where it is worth living and working. It became more attractive for investors, for innovative businesses and for young people who are returning to the region. According to actnow, about 4300 broadband-related jobs have been created between 2002 and 2007 (including through start-ups) and the contribution to the annual GDP of Cornwall has been about € 140 m. This is a seven-fold return on the initial investment.

What can we learn from actnow?

In 2002, businesses and especially small business lacked an awareness of the potential of broadband. One of the themes emerging from the many submissions to the House of Reps Inquiry into the Role and Potential of the NBN is that prospective end-users do not know much about the NBN beyond the hype.

To overcome such obstacles to the adoption and utilisation of the NBN, we need to focus on measurements such as:

- Broadband's impacts on specific industries – who is using broadband most effectively and who is missing out on opportunities?
- Identifying specific e-solutions utilization among industries, regions, etc. and their economic impact.

- Exploring the differences between rural and urban areas within a region, or between regions – and how e-Solutions help each overcome challenges.
- Going to the next level of mapping – a map of not only availability – but also demand.
- The factors (other than availability) that drive utilization – and how to “bottle that” and bring it to areas where utilization is below average.
- The revenue driven and the cost savings resulting from broadband.
- How broadband impacts job creation.
- Barriers to using broadband and the needs to overcome them.
- How different sizes of organizations best utilize e-solutions.

This is exactly the kind of work that the Strategic Networks Group (SNG) has been engaged in for many years. SNG goes to the heart of a region’s broadband challenges and success by going straight to a region’s businesses, organizations, and households to collect information on how they use and benefit from broadband.

For its 30th anniversary this year, ATUG has invited the founder of SNG, Michael Curri, to run a workshop on regional planning for broadband on 30th March in Sydney.

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Visit our website at www.sngroup.com

Strategic Networks Group (SNG) is a group of broadband economists who develop strategies for most effectively leveraging broadband investments. We help make the most broad-reaching and transformational impacts that broadband can bring to businesses, communities and regions. Our goals: economic development, social advancement, increased productivity and competitiveness