

**Broadbanding
Australia**



Media Release

Townsville-based internet providers join the National Broadband Network

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The North Queensland city of Townsville officially begins experiencing superfast* broadband through NBN Co's fibre optic network today. Several local internet service providers are already connected and providing services to their retail customers via the network as part of the National Broadband Network (NBN) trial.

NBN Co Chief Executive Mike Quigley said the fact that Townsville-based service providers Internet Solutions and North Queensland Telecom have started connecting some of their customers to the NBN illustrates the potential competitive benefits to the telecommunications sector of having an open access network like the NBN.

Mr Quigley said: "NBN Co is a wholesaler of Ethernet access services, which means that we provide Layer 2 wholesale services to service providers. We expect that larger service providers will buy services direct from NBN Co and use some of their own infrastructure to provide retail services to consumers and businesses.

"However, a number of service providers have signed up to the NBN trial to offer ready-made services to smaller retail service providers for them to resell to consumers and businesses. This means that small, or even some larger service providers, have the potential to enter parts of the telecommunications market with a reduced requirement to invest in their own infrastructure to interconnect with the NBN.

"Such flexibility has the potential to support a range of wholesale and retail business models and is expected to facilitate lower barriers to entry for service providers and to open up competition – both in major centres and in regional areas like North Queensland.

"We believe there is evidence of this positive competitive tension at work already, with Townsville-based service providers including Internet Solutions and North Queensland Telecom joining the ranks of other retail service providers nationally to participate in the NBN trial. Both have purchased their access to the NBN via NBN Co customer and wholesaler Nextgen Networks," Mr Quigley said.

Internet Solutions and North Queensland Telecom are currently delivering services to a number of customers over the NBN during the trial period.

The founder of North Queensland Telecom, Jeremy Moffat, is excited at the opportunity the NBN presents for small businesses like his to offer enhanced services to customers. "Any small business can move from being a small presence locally to competing on the global stage if they have increased bandwidth and a well defined digital strategy," Mr Moffat said.

*The speeds actually experienced by end-users will depend on a number of factors including the retail broadband plan they choose, their equipment and their in-premises connection.

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