

OFCOM PRESS STATEMENT – RESPONSE FROM LLU OPERATOR; UPDATA

Submitted by: Cohesive Communications

Thursday, 18 November 2004

The following remarks can be attributed to Victor Baldorino, Director of Udata Infrastructure (UK) Ltd.

In a press release issued today, Ofcom admits that twenty years of regulatory pressure have failed to sufficiently overcome the dominance and anti-competitive posture of BT in the UK data/broadband marketplace. Ofcom now intends to take off yet another pair of its gloves in its battle with BT, to realise what it describes as 'real equality of access' for local loop unbundling.

The Truth

Udata is an independent European LLU operator that has been operating in the UK marketplace for almost two years. In that time, we have found that:

- Our LLU pricing (which is obviously based upon BT's costs) consistently falls below our UK competitors.
- Our pricing provides us with a profitable business model
- BT have conducted an open and helpful relationship with us

We are a privately-held organisation with limited funding which is managing to prosper perfectly well in the current environment.

Publicity Stunt

We can only conclude that the continuing debate in the UK broadband marketplace is a conscious attempt by an anti-BT lobby to create a publicity storm for themselves.

While we welcome Ofcom's intentions to better level the playing field, commentators should recognise the economic reality that large organisations have high overheads, while smaller more entrepreneurial operators can and do deliver substantially more flexible and cost-effective services.

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About Udata

Udata Infrastructure UK Ltd www.updatanet.co.uk is a local loop unbundling (LLU) operator delivering carrier grade 'true' broadband networks exclusively to the local authority sector. This specialism enables Udata to focus on delivering secure, cost-effective and future-proof broadband solutions for the needs of homeworkers, small council offices, schools, libraries and large office sites requiring bandwidth as high as 100Mbit/s and above.

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