

applicahome throws down the gauntlet to BT in UK comms market

Submitted by: Sally Bratton PR

Monday, 17 January 2005

Today marks the launch of applicahome - an £80 million joint venture uniting global IT and outsourcing services company Allserve Systems plc, UK telco applica and ex-ntl managing director Mike Bandeira, to create a new triple play reseller for the UK comms market. Focusing on best value and customer service, applicahome will provide price competitive broadband, phone calls and line rental to UK consumers, with the convenience of one bill for all three services.

applicahome is one of the first companies to adopt Wholesale Line Rental (WLR) in the UK. This means the start-up is effectively helping Ofcom to achieve its objective of reducing BT's monopoly in the UK comms marketplace, by breaking the telco giant's 'exclusive' billing relationship with customers. Further, as a third party provider with relatively low operational costs, applicahome can offer cheaper telephone and broadband services than BT and its competitors.

A K Sen, Chairman of applicahome, says: "Allserve's vast experience and strong understanding of the UK comms and IT market, supported by its huge global infrastructure, makes us confident of reaching the acquisition target of 200,000 customers within two years. In addition, applica is already active in this business and has the best back office systems to penetrate the market. I am particularly excited about this new venture as we are also opening a major in-bound facility to service the customers once they are on board."

Mike Bandeira, CEO of applicahome, comments: "The UK telephony and internet market is rapidly evolving and applicahome is structured to change with it. We will meet customer needs by reducing response rates from days to hours."

Simon Smith, managing director of applicahome, says: "Our aim is to be the fastest growing player in this market space within the first 12 months, and one of the top three triple play resellers in the UK within two years. The scale and synergy created by uniting Allserve's huge, cost effective, sales force with applica's exceptional back office skills makes this possible."

Bandeira adds: "Most new start ups suffer from economies of scale effect. The joint venture mechanism we have created provides the same reach and cost economies as the biggest UK comms players, putting us in a strong position."

With a value of £80 million, the applicahome joint venture is cashflow positive from day one and has sufficient funding to turn its business objectives into reality. One of the main determinants of its success is the low cost per customer acquisition – around a third of the cost compared to the industry norm – which is facilitated by Allserve's telemarketing expertise and existing infrastructure.

Further, applicahome has a strong management team in place to steer the company's growth: Chairman A K Sen has 28 years' business experience, including seven years as Chairman & MD of Allserve Systems plc; CEO Mike Bandeira was previously MD of ntl:Home's 'Offnet' business and MD Simon Smith co-founded UK telco applica.

The new company starts with a 250 strong worldwide sales team, spread across the UK, US and India, and

plans rapid growth to 1,000 sales staff in the first three months. applicahome's management team will be based in the UK HQ at Camberley, Surrey, while its technical team will operate from Chiswick, London.

- ends -

For further information and/or to arrange an interview with applicahome MD Simon Smith please contact:

Sally Bratton
applicahome PR manager
t: +44 (0)1895 477770
m: +44 (0)7930 301601
e: press@applicahome.com
w: www.applicahome.com

High resolution images are available for the media to view and download free of charge from www.vismedia.co.uk

About Allserve Systems plc

Established in 1993, Allserve Systems plc is a UK based global IT and outsourcing services company. Ranked 15th in the UK IT sector by The Sunday Times' Fast Track 100 in 2003, the company's net worth is over USD 73 million with sales of USD 137 million in 2004. Allserve has around 3,000 dedicated and experienced professionals and is expected to grow to 4,500 within the next year. It is a 'Lowest Risk Company', as per D&B Risk Assessment in the UK. Allserve has solution centres in three continents across the globe: USA, UK and India with quality standards conforming to BSI, SEI-CMM Level 5 and ISO 9001-2000.

For further information visit www.allserve.com/

About applica UK Limited

Founded in 1998, applica is one of the UK's leading providers of cost-effective, reliable ADSL broadband services to business users. Through its MPLS network, applica facilitates secure transmission of customer data. It provides QoS (Quality of Service) for users' connectivity, which enables effective VoIP (Voice over IP) systems. Supplementing this proven, efficient technology infrastructure, applica's responsive support team optimises broadband uptime for customers.

For further information visit www.applicabroadband.co.uk/

About Mike Bandeira

Previously Managing Director of ntl:Home, Mike Bandeira directed the growth plan and stabilisation of ntl's 'Offnet'/ISP business. Here he achieved 108% compound growth and successfully launched a number of new initiatives including Carrier Pre Select and Wholesale Line Rental II. Prior to ntl, Mike was MD of start-up EASI-CALLUK Ltd; Marketing Director of C&W Global (UK and USA) and Head of Portfolio

Marketing for BT Plc's corporate clients.

About Ofcom

For information on Ofcom's codes and policies visit www.ofcom.org.uk