

A graphic consisting of several curved lines in shades of yellow, orange, and red, ending in small white circles, resembling a stylized crown or a signal. It is positioned above the main title.

# Crown Fibre Holdings

*Ultra-fast broadband for New Zealanders*

**Ultra Fast Broadband:**  
When, Where & What It Can Offer  
*SPADA Conference*

10 November 2011

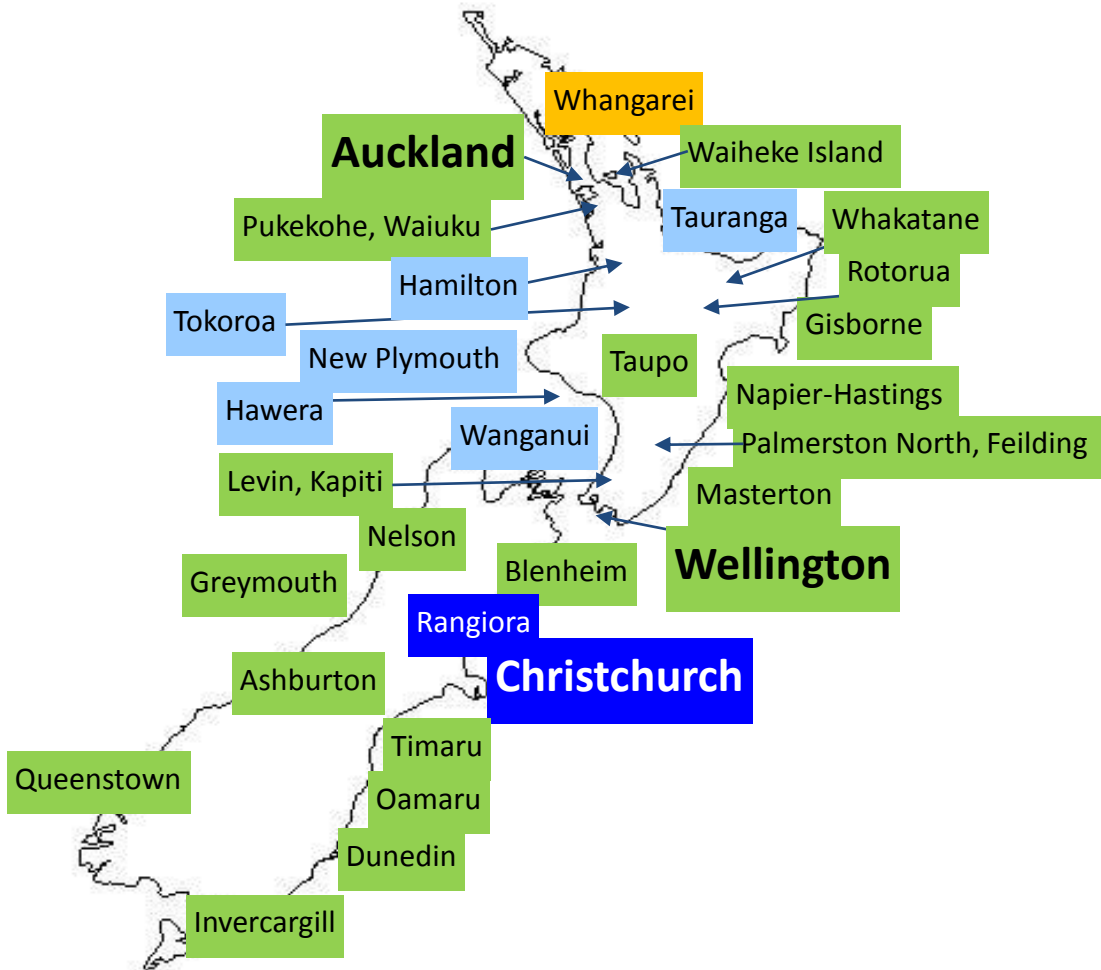
# Topics for Today:



Image: Computer Clubhouse

- UFB deployment update
- The productivity opportunity
- Delivering video over UFB
- Summary

# UFB Candidate Areas and Partners:



Partner Logo	Candidate Areas	% of UFB
	2	15.3
	1	1.6
	24	69.4
	6	13.7
	<b>33</b>	<b>100.0</b>

Fibre To The Premise for 75% of New Zealanders by 2019 via Public Private Partnerships

# UFB Candidate Areas and Partners:

## **UFB deployment:**

- On track to pass 50,000+ premises by June 2012
- Priority users (Businesses, Schools, Health) as well as some Residential by end 2015
- Residential build complete by end 2019
- Lifespan 40-50 years
- General purpose technology – some uses obvious, others not yet developed

## **Deployment prioritisation:**

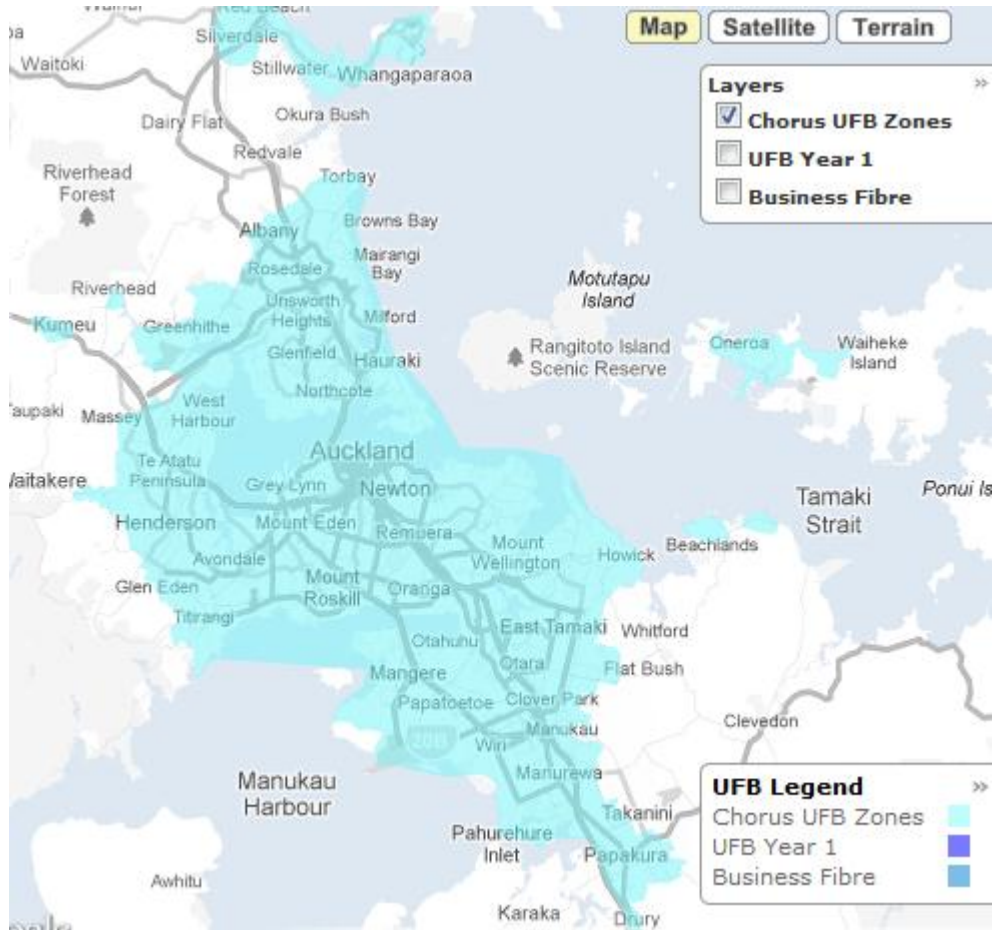
### • *Supply side factors:*

- Contiguous clusters
- Extending existing fibre
- Cost of deployment

### • *Demand side factors:*

- Priority users
- High broadband demand

# Auckland coverage area



## Auckland:

- ~420,000 premises, fully built by 2019
- 4 UFB candidate areas:
  - Auckland
  - Waiheke
  - Pukekohe
  - Waiuku

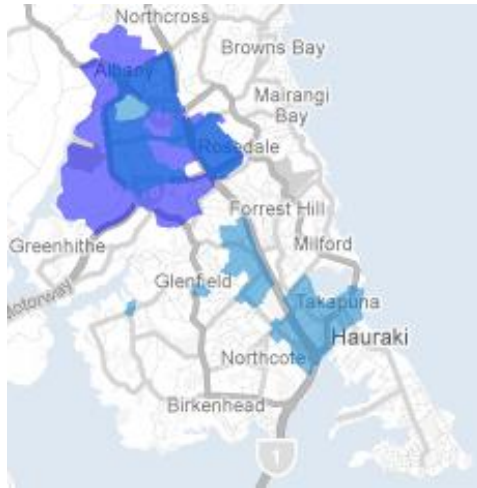
# Auckland: Business Fibre & Year 1 Areas



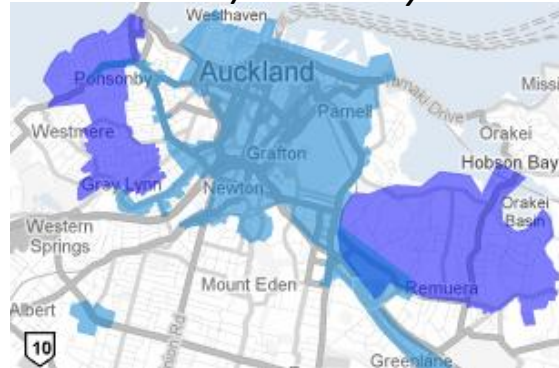
**UFB Legend** >>

- Chorus UFB Zones
- UFB Year 1
- Business Fibre

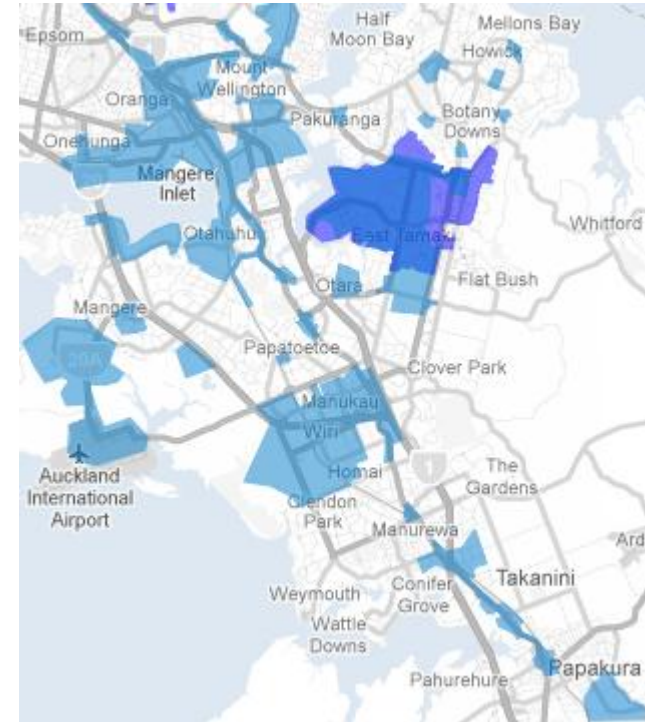
*North Shore*



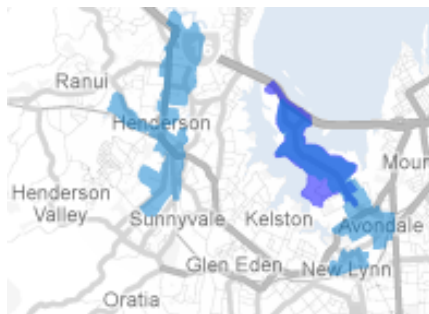
*CBD / Inner City*



*Central & Manukau*



*West Auckland*



- Year 1 FTTP new build Albany, Unsworth Heights, Rosebank, Herne Bay, Grey Lynn, Ponsonby, Remuera, East Tamaki, Burswood and Dannemora
- 1330 kms existing Chorus fibre
- Chorus business fibre available today at reduced UFB price

Passing 17,000 priority & residential premises in Auckland by end Year 1 (30 June 2012) plus thousands of premises passed by existing Chorus fibre

# Wellington coverage area



## Wellington:

- ~150,000 premises, fully built by 2019
- 3 UFB candidate areas:
  - Wellington (including Porirua, Hutt Valley)
  - Kapiti
  - Masterton

# Wellington: Business Fibre & Year 1 Areas



**UFB Legend**

- Chorus UFB Zones
- UFB Year 1
- Business Fibre

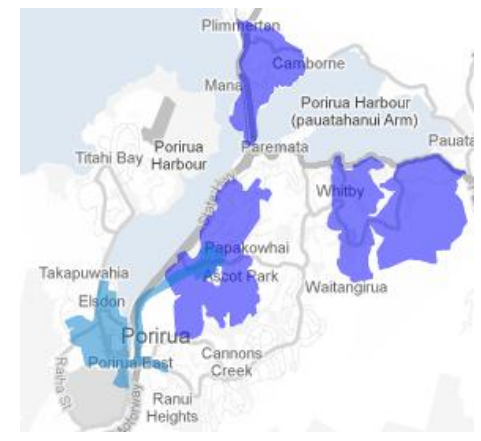
Wellington City



Lower Hutt



Porirua



Upper Hutt

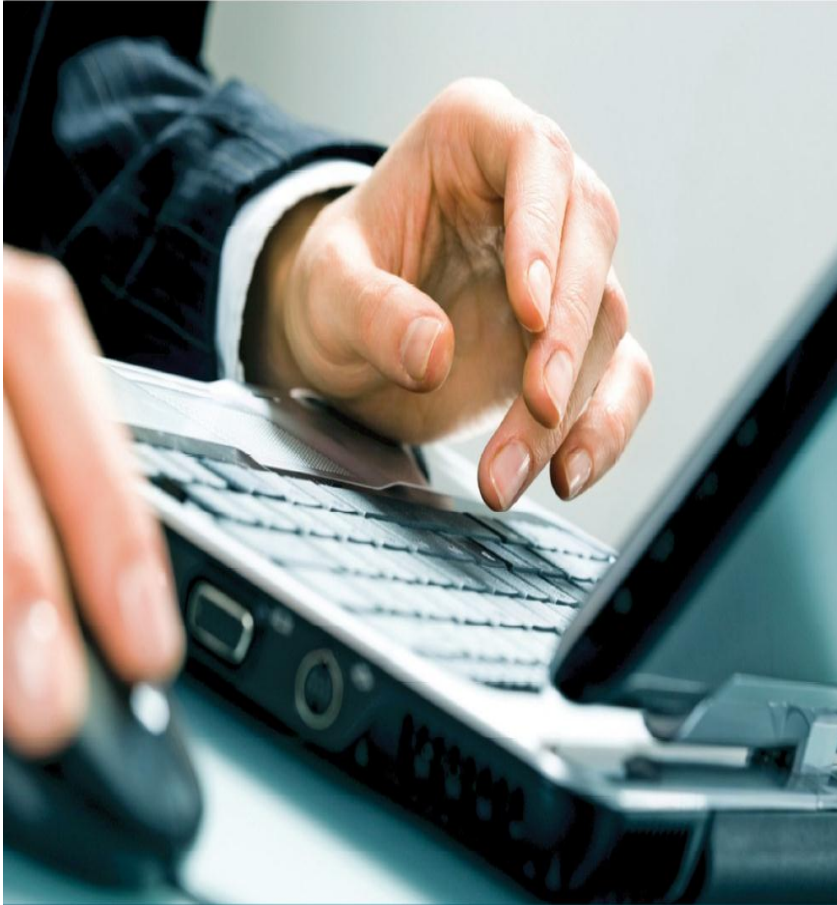


- Year 1 FTTP new build: Mana, Papakowhai, Whitby, Kelson, Churton Park, Camborne
- 1120km existing Chorus fibre
- Chorus business fibre available today at reduced UFB price

Passing 9,200 priority and residential premises in Wgtn by end Year 1 (30 June 2012) plus ~20,000 premises passed by existing Chorus fibre



# Business Benefits:



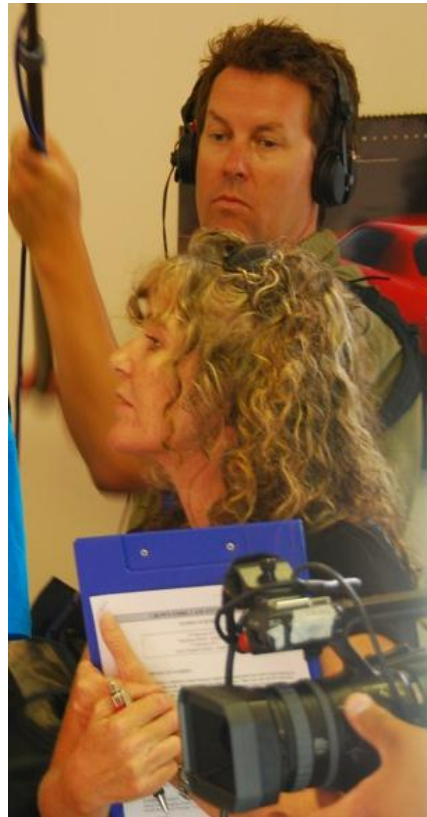
- Enabling new apps, improved processes
- Higher speed connectivity to suppliers and customers
- Cloud computing, reduced cost of ownership (e.g. servers), secure storage
- IP Video Conferencing, collaboration
- Business continuity / disaster recovery
- Extending Remote Working
- Coordination across multiple sites

# Content Business: Case Study

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# Improved Workflow = Improved Productivity



**Sylvester Media**

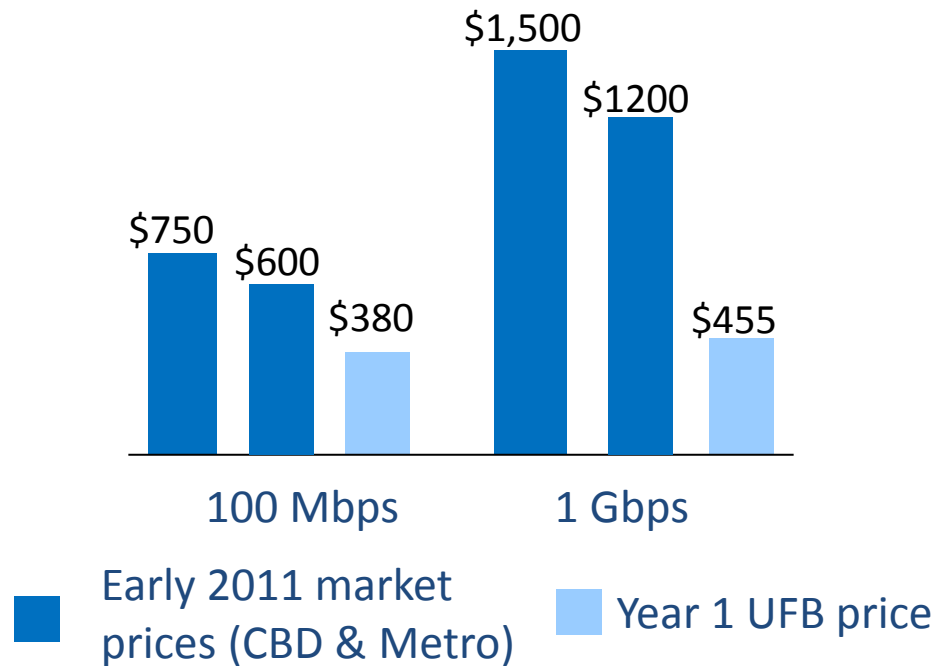
# UFB Pricing for Residential & Small Businesses:

	<i>Copper</i>	<i>Fibre</i>	<i>Improvement</i>
	<b>POTS (voice) + ADSL2+</b>	<b>UFB 100/ 50</b>	
Telephony	1 line	2 lines	+100%
Committed Data (CIR)	45 Kbps	2,500 Kbps	>60 times
Upstream Data	850 Kbps	50,000 Kbps	>60 times
Downstream Data	10-13 Mbps	100 Mbps	10-7 times
<b>Wholesale Price</b>	<b><u>~\$60</u></b>	<b><u>\$55</u></b>	

UFB offers vastly superior product for lower wholesale price. Retail prices set by Retail Service Providers but will reflect wholesale input costs

Note: GPON services; wholesale prices per month ex GST.

# UFB Pricing for Larger Businesses:



Lower prices for fibre will help larger businesses collaborate & innovate

Note: Symmetric Point 2 Point services; wholesale prices per month ex GST.

# Video over UFB: rapidly changing landscape



# Video distribution over UFB in NZ:



Image: Sylvester Media

- Video services will drive residential UFB uptake:
  - Triple play likely to have solid uptake and low churn
- Three means by which video can be delivered over UFB:
  - *Wavelength* (RF Overlay)
  - *Multicast* (IPTV)
  - *Over The Top*
- Broadcasters & RSPs will determine best technical & commercial model(s)
- Interested parties encouraged to contact CFH / Chorus / LFCs to develop

# Possible UFB / video offerings:



- RSPs offer Freeview &/ or redistribution of Sky (including Freeview) as a triple play bundle
- Niche RSPs offer non-Sky options, e.g. 10-15 channel Asian TV offering by Asian-centric RSP
- RSPs use IP for on-demand & interactive services to same Set Top Box
- Open access OTT platform can provide local programming (schools, city etc.)
- Broadcasters embrace OTT and deliver into households on top of Sky offering
- As scale is reached, Netflix, Quickflix, FetchTV etc. may enter the market

A variety of video / UFB product configurations are possible



# Summary:

- UFB deployment well underway
- Retail Service Providers looking to innovate to take advantage
- Sectoral use of UFB to improve productivity will be key
- Video delivery over UFB will be developed by broadcasters and RSPs
- Over time this will change NZ content
- Greater interactivity & higher data usage likely

