

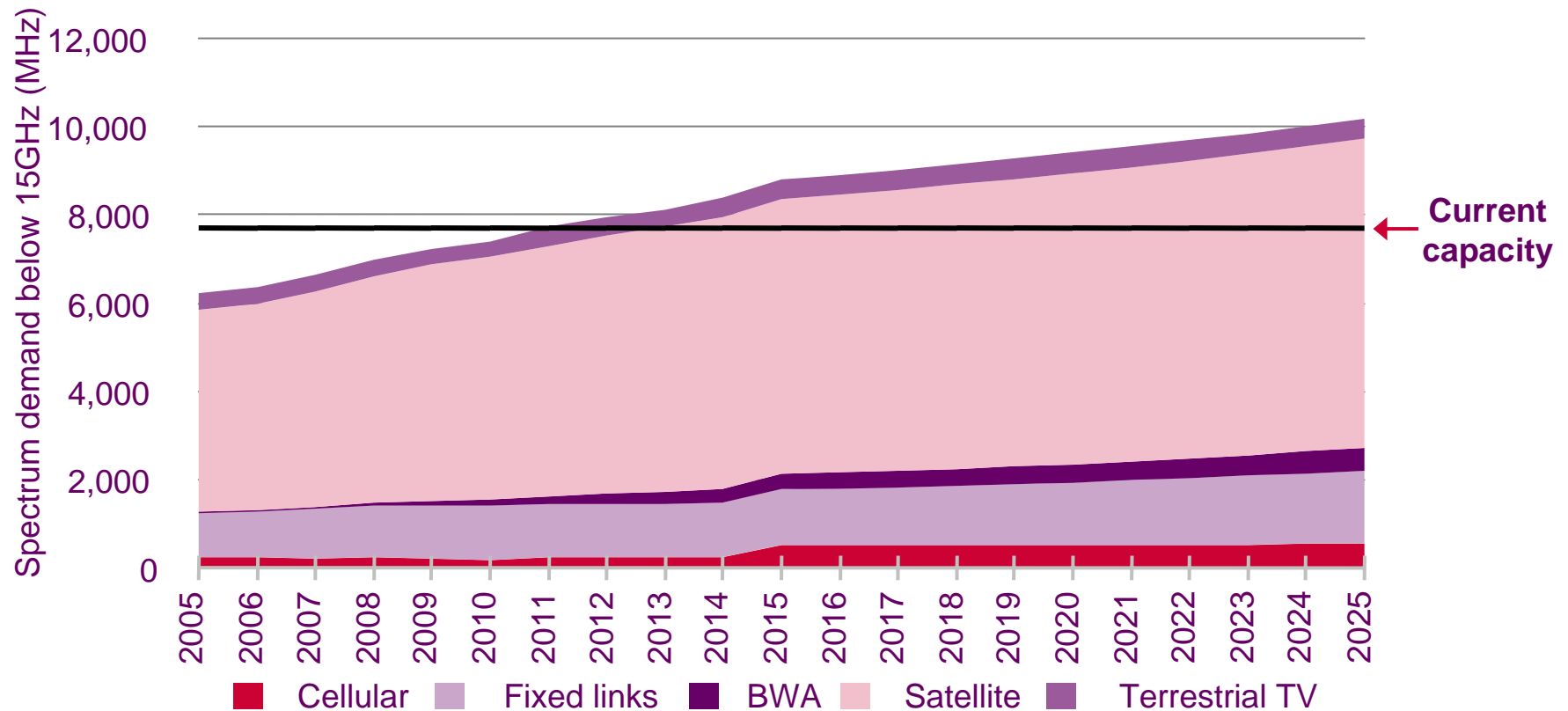
FT World Communications Conference

Networks and Convergence: a regulator's perspective

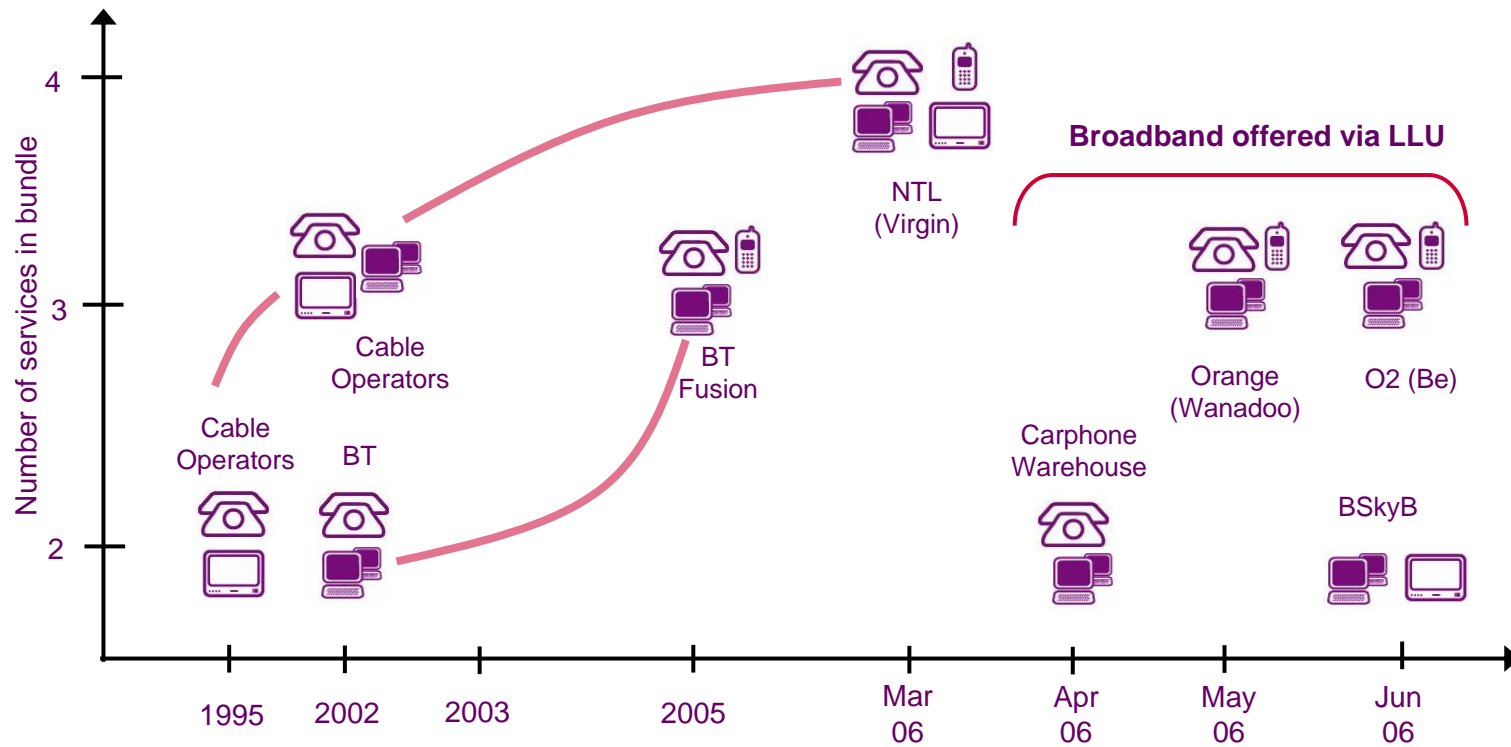
Ed Richards, CEO, Ofcom
22 November 2006

The increasing importance of wireless

Forecast of non-government demand for spectrum below 15GHz

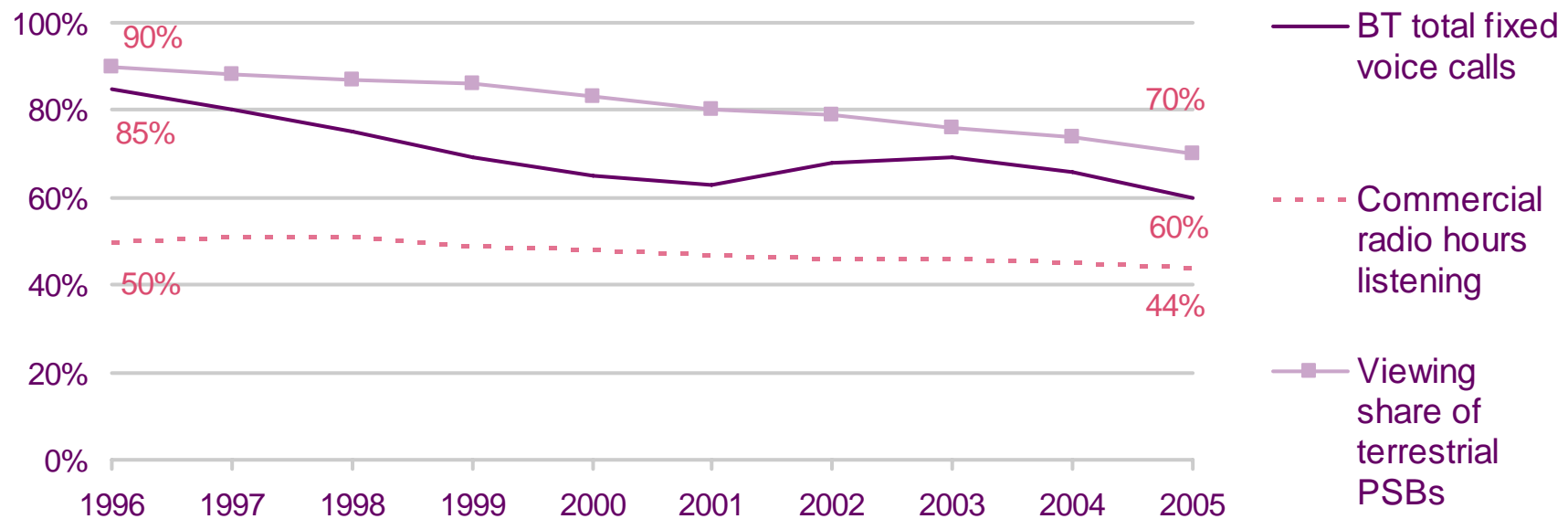


The evolution of communications service bundling



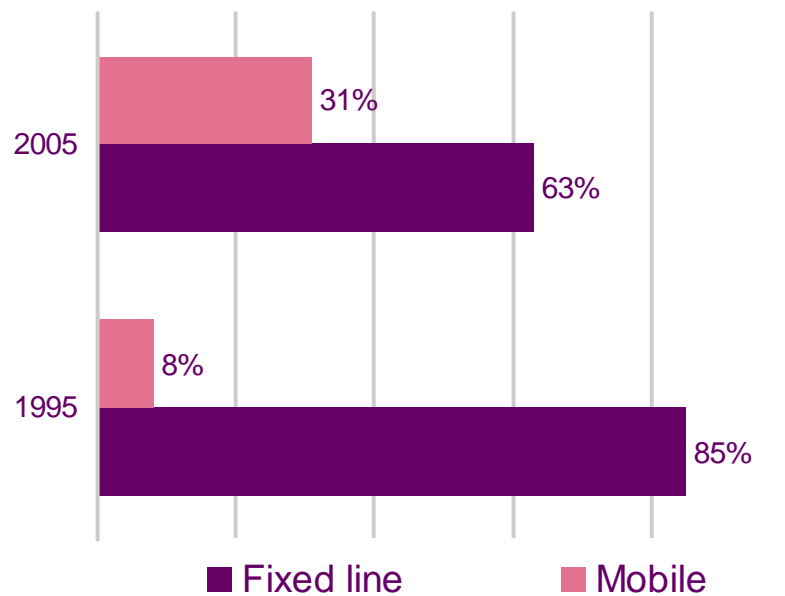
Traditional operators' market share on all platforms is falling

Market share: BT's fixed residential voice calls, commercial radio listening, and terrestrial broadcasters

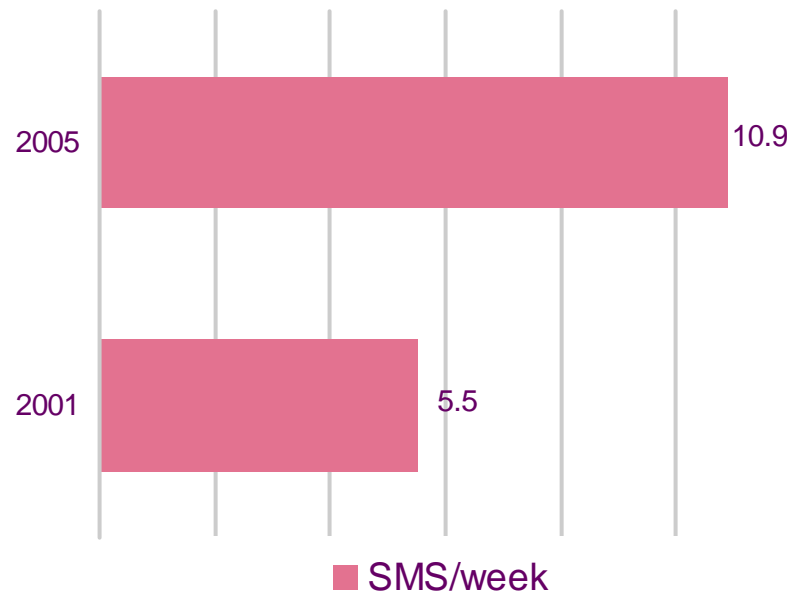


A demand for mobility is driving the demand for wireless

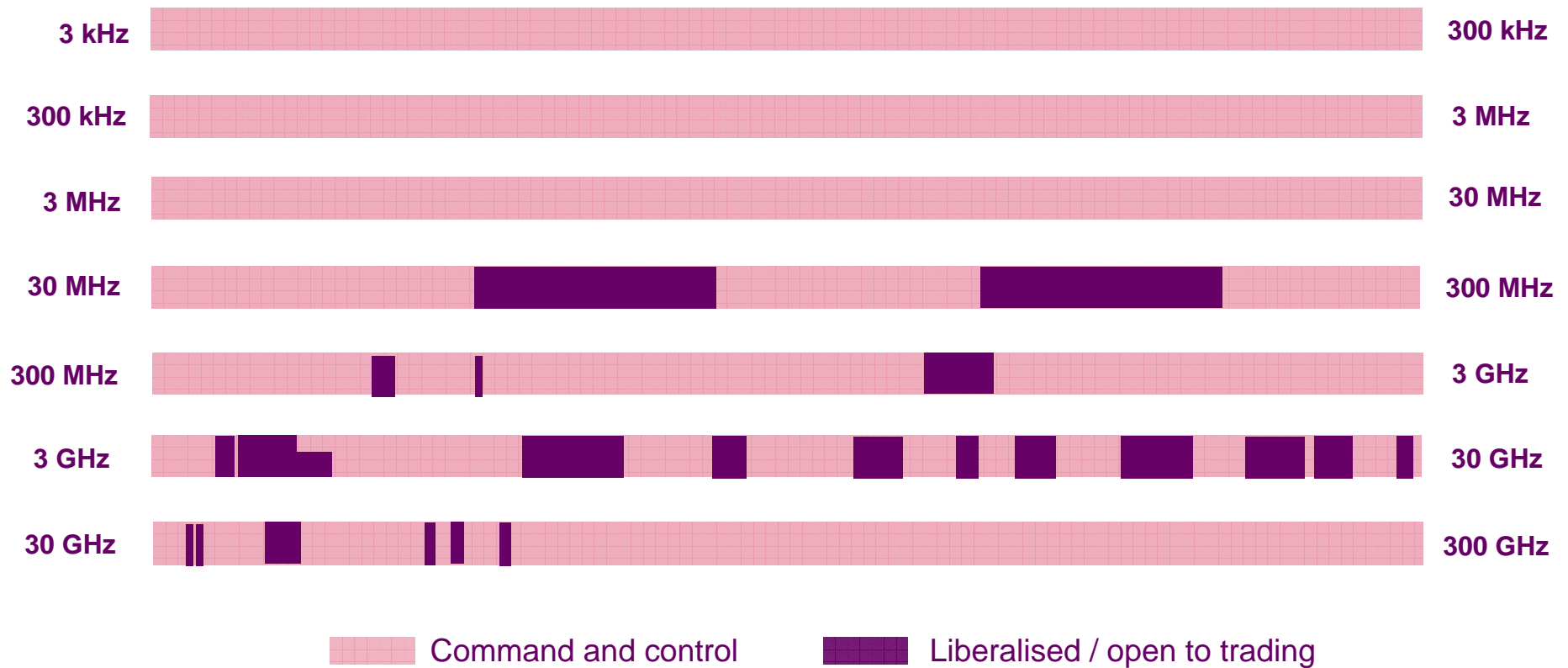
Adults' main method of making and receiving calls: mobile now at 31%



Average messaging per active mobile connection: now 10.9 sms/week



Spectrum – command and control vs. liberalised



This covers all spectrum, including military. Different bands have different utility.

Spectrum awards – auctions completed

**1781.7-1785 MHz/1876.7-1880 MHz
(GSM/ DECT guard bands)**

Ofcom's first auction, concluded in May

Ofcom issued 12 WT Act licences for 6.6MHz of spectrum

The auction raised £3.8m

412-414 MHz/422-424 MHz

Concluded in September

Arqiva won all four lots with a bid of £1.5m

Spectrum awards – releases to come

2500-2690 MHz	Consultation end 2006 Auction 2007
470-854 MHz DDR	Consultation end 2006 Spectrum available post switchover
1785-1805 MHz NI	Statement end 2006 Auction H1 2007
1452-1492 MHz L Band	Technical updates end 2006 Auction H2 07
10, 28, 32 and 40GHz	Statement Q1 2007 Auction H2 07
71-76 GHz 81-86 GHz	Statement published 8 November Online light licensing 2007

LLU takes off, spurred by new regulatory environment

Unbundled local loops in UK, Q1 2005 to present

