



Office of Utility Regulation

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TELECOMS MARKET GROWTH CONTINUES

The latest market data report from the Office of Utility Regulation (“OUR”) shows that there was more growth in the telecoms market in the 2nd half of 2008, including a 6% growth in internet subscriptions in the second half of 2008. The report also shows that business customers are increasingly being served by competitors to Sure. The report, which covers the six month period between July and December 2008, is compiled from information submitted by the telecoms companies.

The report also shows that:

- Turnover in the Guernsey telecoms market grew by 4.5% between the first half and the second half of 2008. Turnover for 2008 as a whole was £73.5m;
- The number of mobile customers remained largely unchanged at around 63,000. Airtel continues to grow market share and in the first 9 months of operation gained approximately 6% share of the market.
- The average spend on mobile services per customer grew 8.4% between the first and second half of 2008 with a 11.5% growth in average call minutes and 14.9% growth in the number of text messages sent per subscriber ;
- There were more than 22,000 internet customers in Guernsey by the end of December 2008, a near 6% increase from the first half of 2008. Broadband penetration now stands at 29%.
- Businesses customers are increasingly served by competitors to Sure, with 37% of fixed voice revenues from business customers going to operators other than Sure in the second half of 2008.

“This report shows that consumers are reacting to the choice in the market where it is available. It is clear that the competition in the mobile market is having an effect with consumers switching providers,”said Michael Byrne, Director of Regulation at the OUR. “Likewise the choice available to business customers appears to be proving attractive with new entrants continuing to increase their share of that market, although Sure still retains a very strong position across all markets”.

Full details of the Telecommunications Market Report are set out in the OUR Information Notice (OUR 09/12), at www.regutil.gg.

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About the OUR -

The Office of Utility Regulation was established in 2001 to regulate the three utilities of post, telecommunications and electricity in the Bailiwick of Guernsey. The Office is headed up by Director General, John Curran and has six staff.

The role of the OUR is to protect the interests of Guernsey consumers and the economy. It does this by ensuring that customers receive the best in price, choice and quality services in the three regulated sectors, while at the same time ensuring that those sectors are vibrant and robust so that they can positively contribute to and underpin a successful Guernsey economy. The OUR licenses and regulates telecommunications operators, Guernsey Electricity Ltd and Guernsey Post Ltd.

Wherever possible, the OUR promotes the introduction of competition by ensuring that there is fair play and a level playing field between the operators. Where competition is not yet effective or where it is not feasible, the OUR regulates prices and quality of services to end customers. More information is available from the OUR website www.regutil.gg, or by contacting the Office of Utility Regulation on 01481 711120.