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New satellites a necessity for rural NBN plans

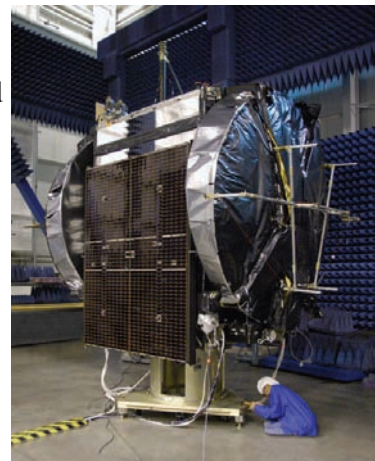
At least one new satellite costing upwards of half a billion dollars will be essential to deliver promised NBN speeds, according to Optus. While discussion of the Federal Government's NBN plans have primarily focused on a fibre rollout to 90% of the population, guaranteeing 12Mbps-plus speeds to the 'other 10%' will require the investment of hundreds of millions of dollars into new cutting-edge satellite technology. However, actual deployment could be half a decade away even if the design process began today.

Satellite connectivity featured in the original NBN plans of both Optus and Acacia, and Optus believes it could be in the hot seat for the satellite quotient of the revised NBN. Optus Networks general manager Michael Wagg told CommsDay that a dedicated broadband satellite could satisfy the broadband needs of the final 3-4% of the population, but would be far more complex than any existing Australian satellites.

"The cost of satellites are in the hundreds of millions of dollars," he said. Optus is due to launch its latest D-series satellite (right) later this year at a cost of some \$300m, and Wagg warned that the kind of satellites required to offer 12Mbps would be substantially more expensive. "The types of satellites we're talking here are about two to three times the size in power and complexity, so they are significantly more than the cost of our D-series. They are very complex and the cost to launch them... is a lot more."

2012 AT EARLIEST: Wagg said that even if the Federal government began implementing plans today, a new satellite would not be operational until 2012 at the earliest. "If you started procuring a satellite today, you've got to do the design and engage vendors, it's about a three-to-four year period by the time you can get a new satellite up," he said. "We are exploring options of how we can provide capacity in an interim period."

"We did propose satellites as part of our recent [NBN] bid," Wagg said. "They were for the last few per cent... as you get further out you get to a point where satellite becomes the only really viable choice." The satellites proposed would have utilised 'Ka-band' technology – the transmission frequency most suited to broadband delivery and a significant upgrade from the commonly used Ku-band. According to Wagg, Ka would allow for more spectrum to be utilised, therefore offering more capacity to each area covered. Optus's current satellite fleet does not include any Ka-band 'birds', but uses Ku to serve its existing customers which



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are predominantly broadcast TV channels.

“If you want to serve the last 4% of the population via satellite you would need to put a lot more capacity than there is today, and Ka-band is certainly what we believe... is the way to provide that service,” Wagg said. One satellite would be able to cover the entire Australian landmass, but may not be able to provide enough throughput – one Ka-band satellite could provide 50Gbps of capacity, while some advanced European satellites have gone closer to 100Gbps.

Communications minister Stephen Conroy said the Federal Government will “launch next-generation satellites to link all premises in regional, rural and remote Australia” as part of its NBN plans, but further details are not expected until an implementation study is complete. Shadow minister Nick Minchin asked what the Government plans to do in the years before new satellites are operational. “Presumably any new satellite or next generation wireless services would be several years away and after wasting 18 months the big question is what new services does the Government plan to deliver rural and regional areas in the interim?” he said.

Luke Coleman

Expert panellist creates NBN tech working group

NBN expert panel member Rod Tucker has moved swiftly to establish a new working group focussed on developing high-speed broadband applications for the FTTP NBN. Just weeks after the NBN program was re-booted to focus on a national fibre to the premises build, Tucker has returned to his Professorial post at the University of Melbourne’s Electrical and Electronic Engineering school where a new collaborative effort will develop technologies specifically designed to leverage the planned 100Mbps network.

Tucker told CommsDay the University and its Special Research Centre for Ultra-Broadband Information Networks (CUBIN) group will now undertake “expanded research activities” tailored for the NBN rollout. “Not only are there great opportunities for technological developments, but this is the largest rollout of broadband rollout ever, anywhere in world... the potential for Australian companies to get involved in new products and applications is enormous,” he said.

Tucker said he is already scouting participation from medical technology companies and educational institutions to actively contribute to the University’s work. “[It’s for] people who would be using the broadband network; for example, remote health could be delivered via the network, or remote education. Our program is to build out a test bed to... trial [those] applications.”

At least 100 people are expected to be employed from various organisations in the group, which is hoped to be up-and-running “in the next few months.” A number of Australian Universities and international institutions are also said to be in development plans for similar programs; and “we hope to collaborate with other groups as well,” Tucker said.

“We also have in our lab some projects currently going on for the delivery of fibre to the home in rural areas with extended reach,” Tucker said. The new developments would allow data to be pushed 60kms further down fibre lines without additional network hardware, potentially allowing for fibre to be deployed to more rural and regional locations than first hoped. “We’ll be working on technology like that in addition to [health and education] applications as well,” he said.

The news comes on the same day Innovation minister Kim Carr unveiled a new Information Technology Industry Innovation Council. The body will be chaired by Data#3 managing director John Grant, and is hoped to “champion IT-enabled innovation for economic, social and environmental benefits” – including the NBN.

Luke Coleman

Telstra launches custom mobile interface

Telstra has unveiled a new customisable mobile phone interface designed to give easy access to frequently used applications and services. Labelled TelstraOne Experience, the interface will initially launch on a new Motorola touch-screen handset and a Sony Ericsson model and is hoped to drive users onto Telstra’s growing collection of 3G applications including turn-by-turn navigation and downloadable content.

“TelstraOne Experience delivers on our one-click vision, giving customers greater control over the services they want to use on their mobile phone. This means fast, easy access to advanced mobile content and applications including Facebook, Mobile Foxtel from Telstra and Sensis search services,” said Consumer executive director Glenice Maclellan.

The Motorola A3100 (using Windows Mobile OS) and the Sony Ericsson W705 will be the first handsets with the Telstra interface, which is integrated directly into the device’s firmware. “We know mobile users want a navigation experience that is intuitive and allows them to get to their favourite features quickly without having to hunt through endless submenus. With TelstraOne Experience, it won’t matter what handset the customer uses, the experience will be similar and customisable to the customer’s individual requirements,”

said product management exec director Ross Fielding. "And in the future when customers upgrade, they will be able to take the menu configurations they love with them by choosing a new TelstraOne Experience handset."

The Sony Ericsson interface was developed locally with the help of SurfKitchen and the handset vendor and is expected to be seen on more handsets in coming months. Further handset vendors are also expected to join the line up soon.

Luke Coleman

Telstra to launch IPTV service by Christmas?

Telstra is set to launch its own IPTV service nationally before the end of the year, according to reports. A report on the Digital Media magazine website said Telstra is seeking vendor partners for the IPTV rollout which would compete with rivals including Internode and TiVo, as well as its own stake in Foxtel.

Rumours have circulated that Telstra was gearing up for its own IPTV launch ever since a non-compete clause with Foxtel lapsed some months ago. Now the company is said to have put out a tender to create a set-top box service which will give access to BigPond content via IP, a personal video recorder, and digital free to air along with access to customised video websites like YouTube.

The product is expected to have payment functionality so users can unlock BigPond movies, games and music content in what could amount to an iTunes/Apple TV rival. According to Digital Media, Telstra is seeking one vendor to take care of the project's design, construction and implementation. Telstra has so far refused to comment on the planned service.

NZ's Orcon cuts 16% of staff

Orcon is cutting its staff numbers by 16%, laying off 23 employees according to a company statement. Addressing employees in a statement, CEO Scott Bartlett said that although the company is on target to meet the current year's profit targets, Orcon anticipates a challenging year ahead.

"The company has therefore revised its growth targets for the next period and as a consequence will also be reducing the business cost structure," the statement said. "Orcon is today entering into consultation with employees across the company to reduce staff levels by approximately 23 positions (of a total of 144), with numbers subject to change as a result of consultation." Meanwhile, Orcon is also apparently lifting the price on excess data charges for some plans.

Paul Clearwater

Social media a double-edged sword for industry

Social networking sites like Twitter and Facebook allow consumers to immediately share feedback on particular companies – posing tremendous risk for firms which fail to adapt to the new paradigm, but opportunities for those which do. Nick Rodda, MD of hosted contact centre provider Global Speech Networks, outlined some of the steps companies could take to avoid poor feedback escalating quickly into catastrophic brand damage via social media platforms.

"On the risk mitigation side of things... companies have been quite reactive. They register a [social net-

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work] account, they see comments and they respond,” Rodda told CommsDay. “You need to be able to do that, but the other area in which we’re seeing strong emergence and use of technology is in being proactive: actually stopping [dissatisfied] people before they get going.”

One technology Global Speech Networks offers customers is automated, post-call surveys, where consumers coming off a call with a contact centre agent can immediately provide verbal feedback if unhappy with their experience. This allows for a follow-up call to mollify the customer immediately thereafter, hopefully pre-empting an angry tweet or Facebook post. “With this approach, you don’t catch everyone, but what we do see is up to 35% adoption,” said Rodda. “We think detractors are actually participating in a higher percentage of cases, which is exactly what you want.”

Rodda also recommended proactive, automated outbound calling to forestall negative feedback. “If you’ve got a delivery problem... and [your products] are going to be a week late, people are going to get annoyed and call the contact centre,” he said. “One of the tools we have is an outbound calling engine – it’s an automated IVR that communicates to [customers] that their order will be slightly late, and you can add value by also telling them that because of the delay they will receive a gift voucher or similar type of thing.”

“So you turn what would have been a negative experience... into a situation where [customers] get on Twitter and say ‘they told me it was going to be late before it was going to be late and they gave me a half month free... you should sign up with these guys!’”

The spread of social networks, concluded Rodda, left businesses with little choice but to engage via these platforms. “But they do have to be intelligent about the way they do communicate,” he warned. “There’re heaps of opportunities right now for businesses to differentiate themselves in how they do embrace it.”

Petroc Wilton

Voice biometrics moving to the mainstream?

Deepening concern around security and identity theft has Australians increasingly ready to embrace sophisticated identification technologies such as voiceprint biometrics, according to new research. The 2009 Identity Verification Study, commissioned by voice verification and speech recognition firm Salmat VeCommerce and conducted by Callcentres.net, found respondents losing their faith in the value of conventional identification methods such as PINs and passwords.

67% of the survey’s 203 respondents felt that their security details were currently at risk, with 27% considering the use of passwords left them ‘very’ or ‘extremely’ vulnerable, up from 15% in the previous year’s survey. 57% were frustrated by the necessity of remembering multiple PINs and passwords. 75% said that they would prefer to have a ‘fairly’ or ‘very’ complex security process in place, while 45% of respondents listed biometric voiceprint as their preferred method of identification.

“More than ever, consumers are keen to ensure that their personal information is protected. If this means the process is a little more complex, that is a sacrifice that most people are happy to wear,” said Salmat VeCommerce MD Paul Magee. “We’re addressing the issues around identity theft, or fraud, or privacy; if we can use speech recognition to address... identity theft, then that’s really quite exciting.”

TELCOS’ APPROACH HAMPERED ADOPTION? However, Magee warned that a bad experience with speech recognition deployment, whether for security verification or customer services purposes, could have dire consequences for consumers’ readiness to embrace the technology. “As an industry, we have deployed some speech recognition systems that haven’t worked that well... poor implementation of the technology leads to bad outcomes. Ask somebody what they think about speech, and the top-of-mind thing is the poor experience,” he said. “Telcos have been poor deployers of our technology... [they] have tended to take an engineering approach to the deployment of speech recognition, when in fact the most important aspect of a speech recognition solution isn’t engineering but the social impact – it’s people.”

Both Salmat VeCommerce and Callcentres.net will be participating in the Voice Leadership Forum in Sydney today and tomorrow.

Petroc Wilton

Fibre future the launchpad for Lundy’s social media experiment

The implications of superfast bandwidth for Australian society, business and government are to form the crux of the first in a series of social media-driven debates organised by ACT Senator Kate Lundy. Though Lundy has made it clear that the inaugural ‘Public Sphere’ event (which begins tomorrow) will not touch on the reimagined FTTP NBN project or implementation details, the Senator nevertheless hopes to stir up fruitful discussion through the experimental fortnight-long session.

Billed as an effort to engage government, industry and society collectively on topical issues that can feed into public policy direction, the Public Sphere will kick off with a half-day workshop in which volunteer speakers will deliver short pre-recorded or live presentations. These will be streamed online, while com-

ments from the audience – whether remote or local – will be channelled through Twitter, enabling live presenters to see the feedback in real time while speaking.

During the following two weeks, participants are invited to blog about the topics raised, post comments on the Sphere's website or run their own connected events and submit the outcomes. At the end of the period, Lundy intends to collate the results in a briefing paper for publication on her website and submission to Government.

“Although there are certainly many formal mechanisms for participation in Australian Government processes, we thought it would be a great idea to create an online public sphere and facilitate regular topics of interest to both the general public and to the government,” said Lundy. “This way people from all around Australia can participate online. We will be experimenting with different technologies to get the recipe right for this kind of engagement”.

Petroc Wilton

GlobalConnect Australia signs reseller agreement

An agreement has been sealed by GlobalConnect Australia with Verint Wireless Actionable Solutions to give the former an Advanced Partner status for Verint's Impact 360 Workforce Optimisation software and services suite in the Australian market. The suite includes unified analytics-driven workforce optimisation solutions for quality monitoring and call recording, workforce management, speech and data analytics, customer feedback surveys, performance management, eLearning, and coaching.

According to GlobalConnect Australia managing director Pushkar Taneja, the company's engineers have been trained on the Impact 360 solutions to meet the certification criteria. “The achievement of Verint's Advanced Partner status enables us to bring our wealth of local contact centre industry experience, together with Verint product expertise, to the Australian market.”

Webfirm signs asset acquisition agreement

Webfirm Group's retail division, Webfirm has locked in a deal for the acquisition of the assets of Perth-based web development and online marketing company, Human Traffic.

The Heads of Agreement provides Webfirm with more than 100 new customers and over \$350,000 per annum incremental revenue while making Webfirm the clear leader assisting Perth market SMEs to profit from their online activity. It also calls for the assimilation of all existing Human Traffic customers and staff by Webfirm.

Along with the acquisition of assets is the return to Webfirm of Andrew Dalton and designer Adam Gray, who both previously worked in the company. “Andrew has built a solid business over the past couple of years and this acquisition allows us to consolidate Webfirm's market-leading position in Perth. Andrew returns to Webfirm to lead the establishment of our new online marketing services operation that will provide an expanded range of Search Engine Optimisation (SEO), Search Engine Marketing (SEM), email and social marketing facilities to our SME clients,” Webfirm Group CEO David Burden said.

Burden and Webfirm's executive officer Andrew Beecher have brokered the acquisition. Burden said, “Contrary to some forecasts, we are seeing sustained demand for online services from SMEs. In fact, our revenues are growing as SMEs shift their marketing spend online, allowing them to better target their potential customers with performance-driven campaigns.” The agreement will also support Webfirm's continued expansion of geographic operations and services.

Kei Contreras

VERIZON BUSINESS PRIVATE IP WINS IBA HEALTH

IBA Health has employed a Verizon Business Private IP solution for its global communications network. The solution will connect IBA Health's offices and more than 4,200 employees in 22 locations across Australasia, the Middle East, South Africa, India, Southeast Asia, and Europe while helping the company improve its overall customer service. Aside from Verizon Private IP, IBA Health also plans to deploy unified communications solutions like IP telephony and IP-enabled audio and video conferencing. Through the help of the IP solution, the company will also centralise its human resources, finance, and customer-resource management applications.

OPTUS OFFERS NEW CAP PLAN TO MOBILE CONSUMERS

Optus has released the 'yes' \$59 Cap plan, which allows its customers to use \$680 worth of total included value per month and unlimited standard national SMS and MMS. The plan is available on a 12 or 24 month contract and gives customers two lots of value - “Optus2AnyOne” Value and “Optus2Optus” Value. The Optus2AnyOne Value must be consumed first. It includes \$330 worth of standard calls and text to any GSM mobile and fixed lines within Australia. Once exhausted, customers can then access the Optus2Optus value, which provides \$350 worth of standard calls and text to any Optus GSM mobile and selected Optus fixed

lines within the country. Free 5-minute calls to Optus GSM mobiles on the same account within Australia is also available to consumer customers 24/7. Moreover, small business customers who avail the 'yes' Business \$49, \$59, and \$79 Cap plans will receive unlimited voicemail and a choice of free standard calls, SMS, and MMS within Australia. They can also get the Blackberry Bold on a 'yes' Business \$49 Cap plan over 24 months.

VODAFONE AUSTRALIA UNVEILS NEW SINGLE BUSINESS CAP PLANS

Vodafone Australia has brought a new range of Single Business Cap plans to the mobile market. The new Cap plans are targeted at small businesses. The Cap plans cost \$69, \$79 or \$99 per month on a 24-month contract. They offer customers a bundle of minutes of talk time with no voicemail charges, text and picture messages, unlimited Blackberry internet, a monthly data allowance, and a choice of the latest smartphones from Vodafone's device range. The \$99-Cap plan also offers 1GB of data for internet access, and a free Blackberry smartphone.

MYNETFONE UNVEILS VPBX SERVICE'S NEW FEATURES

MyNetFone has added new features to its Virtual PBX Service to further increase its revenue, as well as its ARPU (average revenue per user). Some of these features are automated attendant, which allows users to upload their own IVR (Interactive Voice Response); tenant billing, which allows separate billing for various functional groups; receptionist console to monitor call status and direct the flow of calls; and tailored IP phone handsets. The additional features will enable its users to enjoy Virtual PBX services even without the need to own and maintain physical equipment in their respective premises.

Comment by Grahame Lynch



The most influential man in telecoms. Paul Budde?

For those wanting to get some more understanding of the thinking, assumptions and vision behind the Federal Government's FTTP National Broadband Network plans, then I have a suggestion. Go and read what Paul Budde, the telecoms researcher-cum-industry activist has to say about the subject.

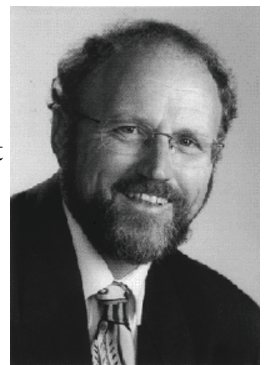
I say this because it is becoming increasingly clear that Paul Budde and Stephen Conroy are very much on the same page when it comes to their vision for the industry.

On 29 April, Conroy gave a speech to the National Press Club that began by comparing the economic impact of his NBN plans to that of electricity in the late 19th century—and then proceeded to name check a number of emerging applications and services that he believed would be enabled by the NBN, specifically e-health, e-learning and e-government.

The interesting thing is that Paul Budde had been saying exactly these same things on his blog over the preceding weeks. On 17 April, Budde compared opposition leader Malcolm Turnbull's criticisms of the NBN to defenders of gas lights over a century ago who failed to recognise the transformative effects of electricity on the economy, in subsequent posts, he has emphasised what he sees as the central role of e-health, e-government and e-learning in driving traffic over the NBN.

Whether Budde and Conroy's convergence of views is a case of "great minds" or a case of one influencing the other is a moot point—one thing is clear, the two definitely share a lot of ideas about NBN issues.

Over the past few years, Budde has facilitated various groups—the Wholesale Industry Group, the FTTH Special Interest Group, the Digital Economy Industry Working Group—that have purported to develop industry views on these topics and then presented them to Conroy and others in the parliament.



Budde has made some interesting claims for the influence of these groups.

"It is very pleasing to see that a range of the issues that we have been dealing with as an industry group have been addressed in the government's new FTTH plan—and that in some cases the government has actually delivered more than we asked for," he wrote recently on a now deleted page on his website.

"We most certainly helped to get the message across—not just to minister Conroy but also to other cabinet ministers. We met with the minister on several occasions. He showed a genuine interest in our group and in our work, and has indicated that he is interested in meeting with us again." He has also spoken of meetings with other senior ministers in the education and health portfolios, Julia Gillard and Nicola Roxon respectively.

DINNER WITH THE MINISTER: Budde's influence will be exerted again tomorrow at a "FTTH and Digital Economy Roundtable & Dinner with Senator Conroy" at Sydney's Observatory Hotel. Budde says the event is sold-out, the hotel's website suggests its conference facilities cater for around 45-60 or so people. Budde is conducting a roundtable with himself, FTTH advocate & Opticomm manager Stephen Davies, a Consultel speaker and a CSIRO manager, Allen Kearns, leading the discussions.

(As an aside, Davies and the CSIRO have interesting connections to the NBN debate—both Davies and Budde

were the strongest public critics of Henry Ergas' negative economic analysis of the government's plans last week, while the CSIRO has been cited by newspaper commentator Malcolm Colless as playing a central role in the "cobbling" together of the NBN policy. When I challenged both Davies and Budde to present an alternative and equally rigorous economic analysis for CommsDay publication, they declined to do so).

Attendees of tomorrow's event will then spend 2 hours preparing a "statement" which will be presented to Conroy over dinner that evening. Budde describes this process and event as an expression of "the industry's national vision for FTTH and the digital economy".

Now it's not clear whether Budde and the paid attendees of his \$675 event tomorrow can be said to speak for the entire industry, especially if one compares his various interest groups to more accepted and conventional representative organisations such as the Communications Alliance, the Australian Telecommunication Users Group and the FTTH Council Asia Pacific. It is also very clear that the largest player in the industry, Telstra, has studiously shunned Budde's efforts—he publicly complains of this fact.

Although Budde speaks of hundreds of organisations supporting his interest groups and efforts, curiously, he names few of them.

However, a report in the Business Spectator from 15 April said CEOs from "Fairfax, Austar, Optus, iiNet, Internode and GoTalk" were involved in the Budde-facilitated lobbying of government. I'm not sure if this means the six CEOs and Budde literally went into ministerial offices and presented a common case, but the report suggests Conroy has been endorsing the Budde-led efforts with his ministerial colleagues.

This report went on to quote Budde saying the lobby efforts had also won over Finance minister Lindsay Tanner and Energy minister Martin Ferguson to his NBN thinking and was now working on the two environment ministers Peter Garrett and Penny Wong.

So what is this thinking exactly?

Well, given the apparent influence Budde now has on policy the least I could do was drop \$75 on buying his 12-page analysis of the NBN, titled "Critical Considerations". I recommend that those who want to know exactly what seems to be informing Conroy's policy do the same, as this report certainly seems to flesh out many of the assumptions and ideas behind the government's NBN plans.

In essence, Budde believes that the NBN can unleash myriad economic and social benefits, but only if there is a "trans-sector" commitment to using the infrastructure. What does he mean by that? One example: power utilities need to get behind the NBN and use it to develop smart grids that can re-balance power supply and demand, and facilitate activities such as links with "with distributed energy systems, especially in relation to wind and solar energy generated by individual people. The network can also be used to facilitate the management of the infrastructure needed for e(lectric)-cars."

Likewise, government should exploit the e-health potential of the NBN—for example, enabling video monitoring of home-bound patients might reduce the demand for hospital beds, as well as remote diagnostics for patients in areas without medical facilities. Budde is most expansive in his vision for e-learning and what he terms "remote diagnostics", describing a number of different applications. Two examples: "Here's me playing a musical instrument—are my fingers in the right places? How's my intonation, tone, expression; and Here's a look at my washing machine trying to run and the sound it makes—can you help me repair it without coming out?"

PAYING FOR IT: Budde's analysis is light on how he thinks this is going to return its costs other than to sketch a "shopping mall" analogy, but again, he seems to share some common views with Conroy.

For example, Budde writes "As the government has indicated, this infrastructure will be essential for healthcare, education etc. As a consequence all homes will need to be connected as, by law or by custom, many of these essential services need to be available to everyone, not just to those who take up a commercial subscription."

This accords with what Conroy told this correspondent on 7 April in a phone conversation following the FTTP announcement. He emphasised that the NBN would "not be a subscription-based service", adding it would be connected and, presumably activated on some level, to all premises regardless of whether they chose to subscribe to a service or not.

Think about that for a minute. This is probably the most dramatic change in the cost-revenue equation of telecommunications since the first commercial telephone service. People will be automatically connected to a live FTTP connection and able to access some telecommunications services without directly paying for them, presumably these are to be funded through the "avoided costs" of public service provision, ie through diverted taxation revenues and government spending.

It's a huge step into the unknown, and has about as much empirical grounding as the scientific imaginings of a Philip K Dick novel. It is, nonetheless, almost official government policy.

So there you have it. Paul Budde—is he the most influential man in Australian telecommunications today? I've made my case. I am eager to hear perspectives on what others think about the Budde phenomenon—on or off the record—given that he seeks to represent the collective views of the industry.

Grahame Lynch