

Staying In The Market !

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The Market

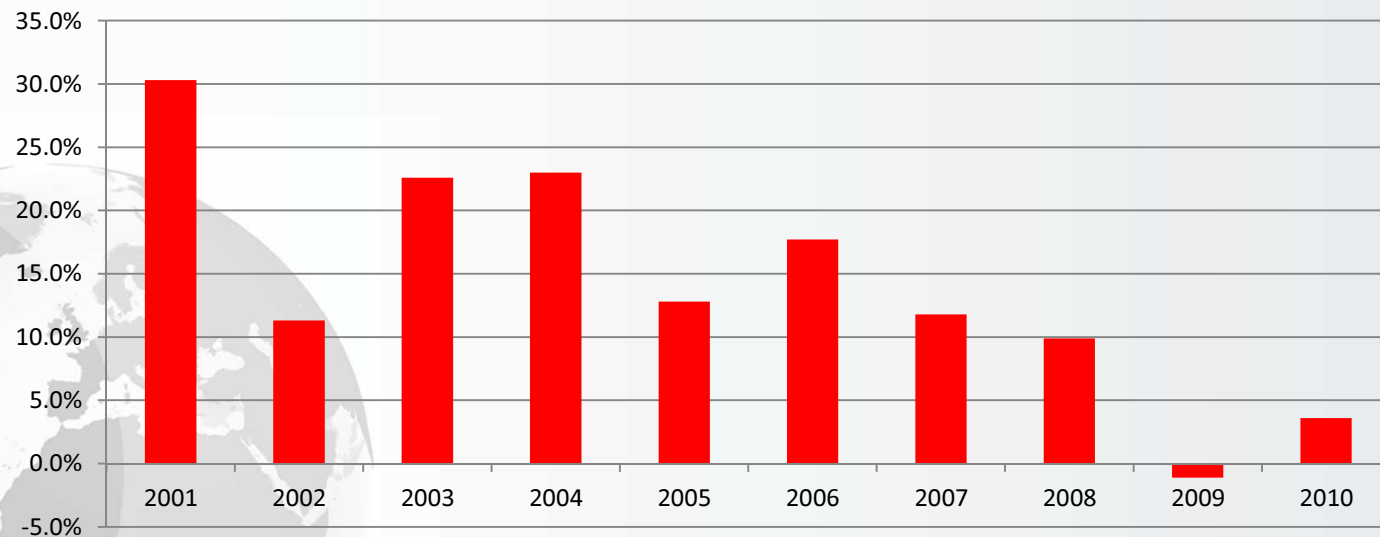
- Traditional Markets
 - PABX Sales
 - Lines and Minutes – WLR and LLU
 - ADSL
 - Professional Services including support contract
 - Mobile (to some degree)

Market Size

- Total Reseller Sales Revenue £6.28 Billion (2010)
- Ofcom put total market at £40 Billion - £30B Retail £10B Wholesale

Reseller - 10 Year Sales Trend

Source Plimsoll Aug 2011



New World – Old World

- 15 Billion “Apps” sold
- ISDN Channels declined by 330,000 in last 12 months
- 550,000 new Android devices being connected each day
- Fixed Line Voice minutes declining – next year mobile minutes dominate
- Google has 900,000 servers in the cloud

Who will wave the flag?

- Resellers have grown up in a regulated market
 - Early days compulsory PABX maintenance contracts
 - WLR2/3 Regulated Products and pricing
 - PABX seen as “black magic” kept the data boys out
- Trade Bodies Like FCS and others represent reseller industry
 - Typically under resourced – FCS revenues represent just .00006% of industry's £6Billion revenues.
 - The big boys have teams but FCS has just a few to put YOUR case forward!

The Reseller Challenge

- Moving into profitable channels
- The world is going to be all IP
 - Infrastructure will be all IP some time soon, fixed line minutes will take a little longer
- Mobile
 - Wholesale Mobile required
 - 4G – who will Win in 2012– important to resellers and MVNO's
- Cloud
 - Multitude of services and providers
 - How to pick the winners !

What does industry need

- Industry needs powerful representation more than ever
 - Split BT and Openreach !
 - Wholesale Mobile
 - 4G Licences
 - Numbering
 - Framework
 - Number Porting and customer switching
 - Next Generation NGA to replace WLR
 - Cloud services regulation – Europe and USA already talking

Growth for the Future

- UC – a great opportunity for reseller
 - Combination of services always requires more support
 - Some service like E Mail may become unprofitable in it own right
 - Sold as a bundle with 10 other services and connectivity changes the picture
 - IP skill set required through the business
 - Web and Social Media skills required just as important as the accounts department.
 - Why stop at the apps – UC the whole proposal
 - Reseller Market just as easily can be a £10 Billion Market at opposed to a £5 Billion in 5 Years – all About Services and Support !

Thank You

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