

ROCKET BROADBAND HITS THE MARK WITH RURAL KIWIS

Media release, 30 June 2008, Christchurch, New Zealand: Satellite broadband wholesaler BayCity Communications' launch of Rocket Broadband has seen a rapid uptake in satellite broadband subscriptions in the first two weeks of product availability.

Launched at National Fieldays in Hamilton, new subscribers have been signing up for the cheaper satellite based Rocket product at record rates according to New Zealand's biggest reseller of rural broadband, Farmside.

Farmside's sales and marketing director, Nick Carter, says the response has been phenomenal.

"Obviously this new pricing package is hitting the mark with rural New Zealand, because the response has been outstanding – despite the fact that we are yet to launch a major advertising campaign.

"Figures are showing record subscriptions since Farmside first started selling IPSTAR-1 based satellite broadband in 2006, with a 228% increase in sales this June by comparison with June 2007, and a 101% increase in sales comparing the first three weeks of June 2008 with the first three weeks of May 2008."

BayCity Communications general manager, Duncan Boennic, points out that the new pricing, a result of negotiations with Thaicom, owners of the IPSTAR-1 satellite, makes it possible to provide many thousands of rural New Zealanders with broadband at a lower entry level price point.

"The Government has released their draft funding criteria for provision of rural broadband, but with a specific exclusion around providing funding for satellite to individual households.

"As a company we find that hard to comprehend, particularly when for approximately NZ\$10 million, BayCity and its resellers could install Rocket Broadband to 40,000 rural households who cannot get broadband any other way."

Boennic says there is no other existing technology that could roll out immediate broadband service to that number of subscribers, particularly to the most remote areas of New Zealand.

"Satellite broadband has been designed specifically for this kind of service provision, and the uptake in rural areas around the world demonstrates how effective it is at enabling rural communities to access a digital world.

"In Australia, there are currently 40,000 plus subscribers in rural areas, on the same IPSTAR satellite, supported through the Australian government's Broadband Guarantee which subsidises upfront equipment and installation costs."

The three new Rocket Broadband pricing packages start from an RRP of \$49.95 (ex GST) per month, with a \$149.95 (ex GST) standard installation cost. Flexible “Booster” features can be included if customers want higher data caps. Previous entry level plan pricing including the lease of the required satellite equipment was \$89.00 (ex GST) through Farmside Ltd, BayCity’s largest satellite broadband reseller. A standard installation cost was previously valued at \$499.00 (ex GST).

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