

## **FTTH COUNCIL EUROPE - CEO INTERVIEW**

**Interview with Gerlas van den Hoven, CEO at Genexis**

**May 13, 2012**

***Is progress being made in the European FTTH/B market?***

Developments are good. However, everyone realises laying fibre across Europe won't happen in just a few years and requires a lot of time, labour and investment. Countries are moving at different speeds. The Nordics and Netherlands are going fast, whilst some countries, like Germany, are progressing more slowly. We do see things picking up, though.

Holland's relative speed is the result of various factors. We plan infrastructural projects in detail, so digging is relatively easy. Our country is compact; distances between populated areas are relatively small. Fibre unbundling means we have an open market, with more than a few companies involved.

***What is your point of view on new applications and services for broadband users?***

The eternal question is 'infrastructure first - or services and applications first?' The answer is neither - and both. In comparison: when the first cars appeared, there were already some basic roads - but as more vehicles arrived, these were adapted and eventually new, modern roads were built.

***What trends towards higher bandwidth do you see on the end user market?***

There's no single killer app, but as more people discover they can get an improved TV or Skype experience, for example, their demand will drive uptake. The user experience isn't just about bandwidth – it's about enhancing lives. A fibre network should just be 'plug-and-play', without the limitations of older networks - I'm not sure the end user really cares about precise speeds or specifications.

***Your company provides products which are installed at the end customer premises: what are key success factors to ensure efficient installation of end-user fibre connections?***

When we started ten years ago, FTTH was almost non-existent. We developed a fibre management system combined with a modem and active unit which allowed the installer to save 20 minutes per home - those savings really add up. If you can roll out efficiently, you can significantly lower the required investment.

I also think today's home gateway shouldn't just focus on bandwidth, but new services and possibilities. Fibre is not just about making existing technology more efficient, it's about radically rethinking the entire process. We should look at next-generation concepts and how these will affect people's lives, instead of using faster networks to continue doing what's already been done.

***Which drivers for higher uptake do you see?***

Everyone likes the idea of faster broadband, but they all want to do something different with it. I believe customers should be allowed to make choices based on personal preferences, like cost, speed, reliability or application. Not everyone needs a healthcare service, for example, but the 5 or 10% that do should be offered a truly effective solution.

***Who will be the main players on the fibre operators market in the next five years?***

Incumbents that own a lot of infrastructure have a big advantage. After all, you have to take fibre to entire towns, and can't just deploy directly to the most digitally advanced users. On the other hand, more flexible parties are targeting specific market groups with services. In the Netherlands fibre is put in the ground by just two or three companies, but you can choose a subscription from ten or fifteen service providers.

***How do you see the situation in the Netherlands compared to Europe?***

Over a million Dutch homes are now connected to fibre, including many of my colleagues and family members. It's no longer something new and mysterious. Broadband adoption in Holland is relatively high. I think that's because we're an open country relying heavily on trade, interaction and communications.

People here were brave enough to start investing soon, with a view to making fibre available to anyone who wanted to provide services. They had a clear vision. Many pilot projects were successfully carried out at an early stage.

The fact that our market is open creates more opportunities. This gives investors more confidence as they're not just dealing with one party that wants to push fibre, but a larger group of people who want to offer service and subscriptions.

***How is Europe doing with regard to market development and uptake compared to other global areas?***

Europe is lagging a little when it comes to fibre, but not that far behind in broadband. The quality of our copper and coax networks is very high and we like to get everything perfectly organised before massive roll-out.

However, Europe must collectively understand that if we don't adopt fibre in the next 20 years, we'll be missing something vital. Copper isn't necessarily bad, but fibre is the future for everybody.