

Rotheram vows quicker digital highway can be road to success

MARK THOMAS hears a pledge for the future amid business concerns that city region is lagging behind in the technical revolution

PLANS to create ultra-fast digital connectivity across Liverpool city region could help take our economy 'into the stratosphere,' Mayor Steve Rotheram claimed at a Wirral Chamber of Commerce In Business seminar.

But other speakers warned the packed audience of Chamber members that the digital infrastructure of the city region is not fit for purpose with broadband services lagging six to eight years behind the times.

The breakfast seminar on the state of the city region's digital infrastructure was the latest in a monthly series of In Business gatherings organised by the Chamber at its headquarters at The Lauries Centre, in Claughton Road, Birkenhead.

Liverpool city region Mayor Steve Rotheram told the audience of his plans to build on our existing natural and man-made assets to create a gigabyte economy that will give us a major economic advantage.

As revealed in a Business Post interview last year, Mayor Rotheram aims to capitalise on the supercomputer at SciTech Daresbury and the fibre optic link from the USA to the UK - which connects through Southport - to create a fully-connected gigabyte city region, while also developing a renewable tidal energy scheme on the Mersey.

"Thanks to the River Mersey we

became the gateway to the first industrial revolution, and thanks to the assets that we have, we can become the digital gateway to the fourth industrial revolution," he said.

He added that the ultra-fast digital links would build on the fibre-optic cables being laid around the Merseyrail network as part of the introduction of its new £460m rolling stock investment, connecting the whole city region and linking directly to the USA.

"The fibre optic link gives us an eight millisecond advantage over anywhere in the country. When you talk about currency exchange algorithms, for example, that is a big thing not just for ourselves but for UK plc.

"When you combine ultra-fast speed with renewable energy from the River Mersey, the magic really starts to happen, because a lot of big-name global companies that you will know have signed up to be carbon-neutral and are looking at opportunities to relocate into areas that have renewable energy, but these companies

When you combine ultra fast speed with renewable energy from the River Mersey, the magic really starts to happen

Mayor Steve Rotheram



also have the need for data capacity over and above what we can offer. If we offer both things, I think that sends us into the stratosphere and will really be a transformation for our fortunes."

Mandy Gauge, of BT Local Business, said: "Our futurologists have looked at what will happen over the next

ten years, and 65% of children entering primary schools today will likely work in roles that don't currently exist. They say seven million jobs will be lost in the 15 major developed countries by 2020 as a result of the fourth industrial revolution.

"So businesses have got to change and our whole outlook has got to change and hopefully technology can help us to do that. We at BT are trying to encourage our businesses to be more agile, to work anywhere, to have a real joined-up approach and to have greater, faster connectivity."

She said G-Fast would be BT's leading product in years to come, offering the possibility of 330 mbs broadband from the cabinet.

"It is being deployed as we speak and is in five or six areas within Liverpool



● Metro Mayor Steve Rotheram delivers

and Chester, and we've got a roll-out plan throughout 2018-19."

Tom Cullen, managing director of Wirral-based business telecommunications company Digitel, said: "Digital disruption is changing all of our lives - not only in terms of our personal lives but also it is turning every traditional business model upside down. It is creating chaos out there. You only have to look on the



● Tom Cullen, managing director of Wirral-based business telecommunications company Digitel, warned that digital disruption is changing the face of business

while in entertainment Netflix at \$70bn is well ahead of nearest competitor Fox at \$52bn, and in transportation Uber at \$69bn dwarfs nearest competitor Avis at \$2.6bn.

“You get an idea from this how the internet scales businesses massively,” said Tom. “Companies that have been around for ten or 15 years are taking over these traditional businesses.

“For SMEs the bandwidth available is not fit for purpose. It may be improving but we are behind the curve - we are dealing with broadband services that are six to eight years out of date. All of the stuff that is offered for SMEs is below par. It is all on contended lines, and distance sensitive, and it isn't good enough, not for what is going to happen.

“To meet both existing and future demand we need to start delivering in gigabits, not megabits, and it needs to be affordable for SMEs. A gigabit city region will deliver massive economic, commercial and social benefits for the city region.”

In a panel discussion chaired by Alistair Houghton, Editor of Business Post, he asked three digital experts from the city region if they felt that the city region's digital infrastructure was fit for purpose.

Simon Sloan, of Bromborough-based Hi Impact consultancy, which works in augmented reality technology, chiefly in schools and education, said the disparity in internet connectivity available in schools was “absolutely astounding.”

He added: “We have some schools that are just on standard ADSL connections right up to schools who are paying big bucks for lease lines. There are definitely children who are at

a disadvantage in those schools where they haven't got great connectivity.

“There are workshops that our team teachers can't deliver because everything is online these days, and it leaves some schools at a big disadvantage.”

Kurt Beaumont-Jones, whose company Vigo IT Solutions is based in The Lauries building, said: “We have a small data centre in this building, so the bandwidth we have is quite massive and that suits our needs.

But I'm very aware that we are in the centre of Birkenhead and the inconsistency in certain areas is more of a problem than the very top end.

“I would like to see that bottom end, where people are suffering and don't have fibre available improved, so it is more consistent across the Wirral.”

Dean Currell, of Verb Marketing, based in Castle Street, Liverpool, said: “I honestly believe that the digital infrastructure in this region is not fit for purpose in any way. It depends how you look at the problem.

“If it is just about installing better broadband then it is pretty simplistic. There is a five-year sprint plan for that and we will all have very fast broadband, but it is about the ambitions for the region.

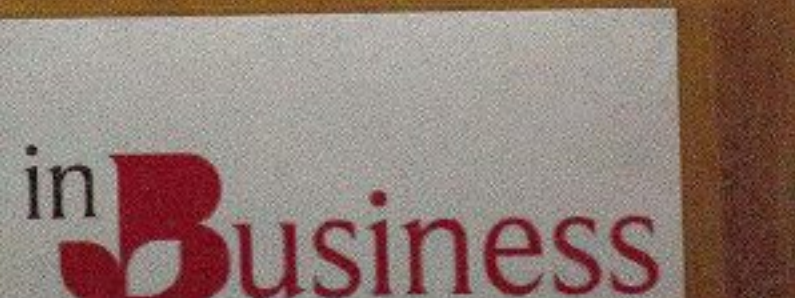
“I went to a brilliant presentation where Peel were talking about Wirral Waters and that is the kind of thing we need to see. It is not just about faster broadband, but about having a place with a trickle-down effect for our businesses.

“As SMEs what we really need is a Salford Quays, a BBC, a large set of major enterprises coming into our city region providing not only jobs and employment but also a trickle-down effect for smaller businesses. If we have that it will change the city region.

● Kurt Beaumont-Jones, of Vigo IT Solutions

“Faster broadband will just make us a little bit smoother, but if I'm being really honest, for me it has got to be about having a place where businesses see Liverpool and Wirral as an incredibly attractive proposition

“We are never going to go back in the mines again or do mass manufacturing, because labour is too expensive in this country. It is about specialist sectors.”



his digital pledge at the Wirral Chamber of Commerce In Business event

high street at how many stores that have been in existence for 100 years or more but are now out of business. It is creating new companies that are rising to billion-dollar valuations and crushing the existing incumbents that have also been around for 100 years. By 2021, 41 per cent of what are Fortune 500 companies will not be in the Fortune 500, but will be displaced by digital disruptors.”

He cited companies like Airbnb, established in 2008 and now with a market capitalisation of \$31bn, making it the second-biggest hospitality company in the world after Marriott at \$38bn - despite the fact that it does not own a hotel.

Electric car company Tesla is on a level market cap with General Motors at \$54bn, despite having only sold 250,000 units since its launch in 2003,