Report #369

TelcoTitans BTwatch

Your Monthly Executive Briefing | **Mapping the activity and strategy of the UK's largest telco** | October 2025 Release

Contents

Executive brief

GROUP: Netomnia CEO **Jeremy Chelot has set sights on a BT/EE/Openreach take-down** as he cast a vision for the future of the sector. In two of three imagined outcomes, he envisions the emergence of a scaled fixed-mobile convergence player. He opined that once a national merged altnet is established, it will likely prove attractive to VodafoneThree or Virgin Media O2, with the result being an attack on the BT machine. [pp.**6**–**9**.]

The UK's ***One Touch Switch* process is one year old, and has already enabled 1.7 million consumer switches**, creating a mix of opportunity and challenge for the market's broadband providers. At *Connected Britain*, leaders from BT, altnets, and orchestrator TOTSCo, walked through the next steps for the platform, including introduction of an equivalent enterprise service. [pp.**10**–**13**.]

BT networks veteran **Howard Watson has announced his retirement**, with Greg McCall to take the reins. While Watson has been seen in recent years as a safe pair of hands, McCall might be considered the continuity candidate for the Chief Security & Networks Officer mantle. The swap makes for a near-complete overhaul of the Group's ExCo since Allison Kirkby was appointed CEO. [pp.**14**–**16**.]

TECHNOLOGY: **Altitude Angel has appointed administrators**, two years after BT injected £5m into the drones startup in return for an equity stake. It marks another hangover from the days of Etc., the erstwhile BT Digital incubation unit that folded in early-2025. BT has assured that its own drones business is "*unaffected*". [pp.**23**–**25**.]

BT has unveiled the technology and coverage ambitions behind its 5G SA rollout, including a new headline target to hit 99% population coverage in 2030. The move positions BT to become the first UK operator to reach this target, although rivals have updated on their own plans to accelerate what is turning into a race to near-ubiquity. [pp.**30**–**31**.]

BUSINESS: Italian fibre operator **Retelit has finalised its acquisition of the bulk of BT's remaining local assets**, setting up a Retelit-X subsidiary to house them. The assets include four data centres in Milan and Rome, "*human capital*", and more than 360 enterprise customers. BT's former Country Manager Andrea Giovanni Bono has transferred over as Retelit-X Managing Director. [pp.**33**–**34**.]

Irish regulator **ComReg has come in for criticism from the country's operators** over its regulation of Eir. ALTO, which represents the likes of BT, Vodafone, and Sky, has called for a review into oversight of the incumbent as access to infrastructure is put under the microscope. [pp.**35**–**36**.]

OPENREACH: **Openreach's aggressive copper-to-fibre discounting programme has raised the ire of altnet challengers**, with nexfibre execs calling out the incumbent for its 'unsustainable' short-term pricing. Ofcom has since dismissed the complaints, while Openreach simply thanked its rivals for promoting the discounts on the *Connected Britain* stage. With Ofcom's *Telecoms Access Review* looming, Openreach is looking to ramp up FTTP connections while altnets call for competitive protections. [pp.**40**–**44**.]

As the access provider looks to ramp up connections through reduced pricing, the fibre-building machine has also rolled on. **Openreach has picked up another tranche of subsidised *Project Gigabit* premises**, hoovering up those previously won by Voneus before the altne pulled out late last year. [pp.**45**–**48**.]

Chief Engineer Andy Whale has highlighted the **innovation driving Openreach's fibre building machine**. A collaboration with VR startup Digitalnauts has cut costs by up to 65% in a London pilot, and is now being pushed beyond the capital. The *HoloPlan* platform, which uses LiDAR to build 3D models of sites to making cable routing easier and quicker, is said to help Openreach navigate build challenges in dense, urban environments. [pp.**49**–**50**.]

Group

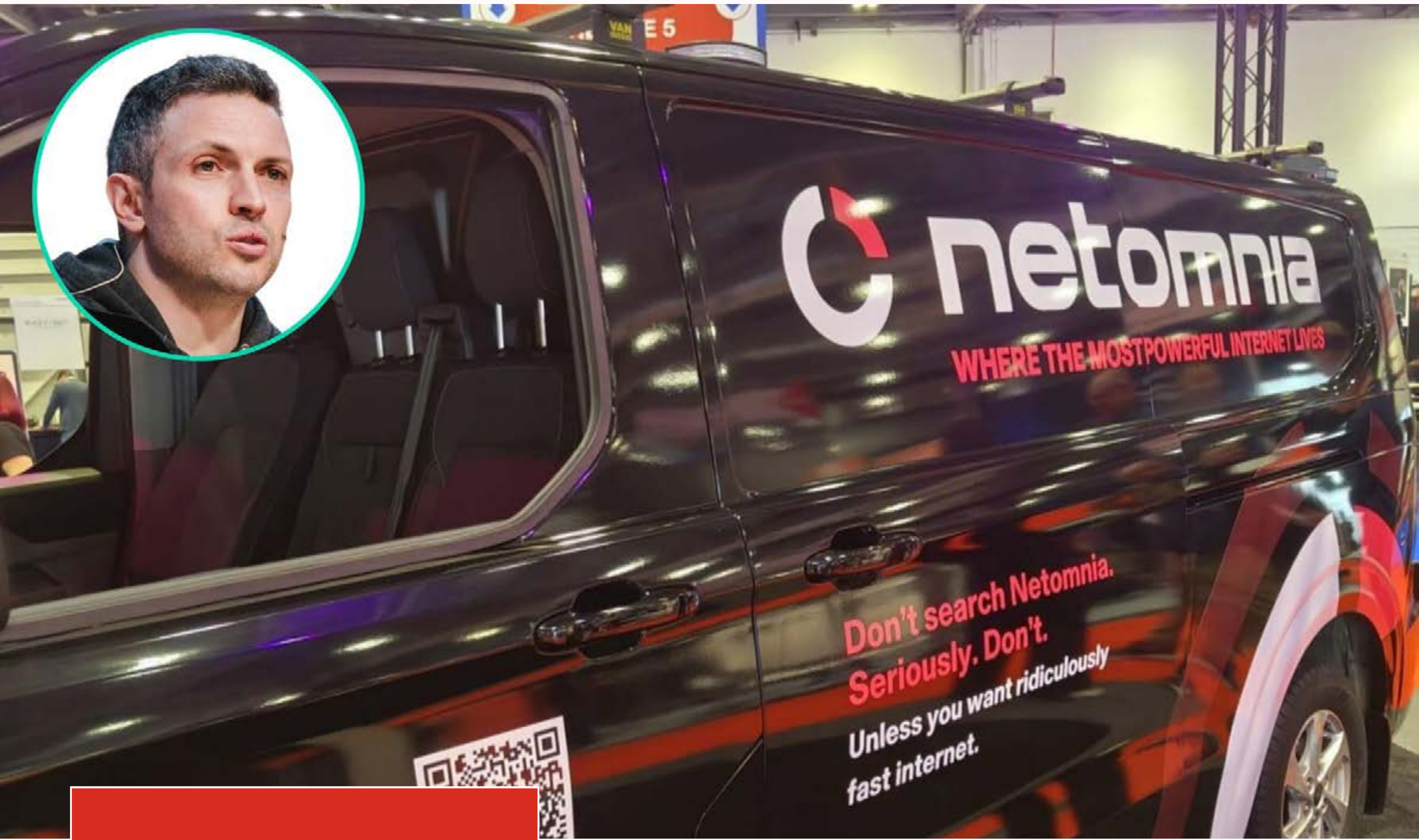

Image: Netomnia

COMPETITION

Netomnia boss plots altnet-led BT take-down

- Jeremy Chelot casts his vision for the future of the UK telecoms industry, with fibre-mobile network operator convergence the way to make a real challenge to incumbency, he says.
- Once inevitable wave of consolidation settles, he expects the emergent scaled altnet to prove interesting to VodafoneThree or VM O2's owner(s).
- Funding continues to be among Chelot's primary focuses, with another round to come before the year is out.
- Economics of whole-buy deal with Openreach means more similar deals may be on the cards to further grow Netomnia reach, add scale.
- The competitive landscape was highlighted by tense exchanges between rivals at *Connected Britain*, debating strategies around consolidation, funding, and customers (acquisition, retention, and losses...).

Jeremy Chelot
TelcoTitans

Holding court at *Connected Britain*, Netomnia Chief Executive Jeremy Chelot laid out the 2025-update of his vision for the future of the UK fibre industry, this year raising the prospect of a scaled altnet merging with an mobile network operator — or even buying spectrum itself — to create a new, national converged challenger to BT/EE.

This would see altnets "*decide to consolidate by themselves and get to... a critical mass*", potentially culminating with fixed-mobile convergence (FMC), to create an enlarged rival to the incumbent.

> *"If you get into the ten million-plus [premises passed bracket], you have a network in the UK that is covering more than a third of the UK; getting closer to 40%. Arguably it will [have a] similar level of power that you can see with the Virgin Media fixed assets."* — Chelot.

He hypothesised various routes for fibre altnets to achieve scale, with one notable one outcome witnessing a consolidated, scaled, fibre-rich altnet combined with spectrum-rich and retail ISP VodafoneThree — which currently lacks a significant fibre infra base. Chelot also wondered if Virgin Media O2 could play a role.

> *"On the other side, there will be Vodafone[Three], which obviously went from being number-three [MNO] in the UK to now taking the number-one crown and... they're likely to keep that number-one position.*
>
> *Therefore, if I were Vodafone, then when the altnets are consolidated, I would have a chat with the altnet and figure out a way to actually merge and create a new platform."* — Chelot.

Another scenario, which even an aspirational Chelot suggested might be a stretch, would be for the consolidated altnet challenger to acquire spectrum itself and create a new, number-four FMC player. France's Iliad/Free was referenced as a model here.

Not proposed, but a further option presumably could encompass a major MVNO like Sky, which is also a leading content player and ISP, arguably the sector's standout consumer retailer, but is without significant fibre and MNO assets.

> Chelot made no mention of Netomnia's plans (or otherwise) to launch a **mobile bolt-on** to its fibre business, as mooted in February 2025. Speaking to *Eight Advisory* at the time, he said that a mobile service would attract customers who would otherwise turn to incumbents that offer FMC bundles.

Build, debt-raise, build, repeat

Netomnia is working to reach scale through organic build and M&A. It aims to reach five million premises by the end of 2027, and is currently funded to reach around 3.6 million, up from its present 2.8 million.

The build will not necessarily stop at five million. "*Three or four years ago, the goal was to do one million homes, and it became two million, and now we are three, and we aim for five*", Chelot said in an interview preceding the panel. He also jested that "*I might carry on and do the whole of the UK*".

Ultimately, Netomnia's build ambition is "*a function of capital*" — not limited by people, processes, or systems, all of which are ready for greater scale, he claimed.

> *If we had a lot more capital, we could do a lot more than one million [premises passed] a year. So, if somebody wants to give me all the cash in the world, then we can do it.* " — Chelot.

The CEO is a cheerleader for altnet momentum and optimism, at least when cast in Netomnia's image, citing a strong, remorseless sapping of Openreach and Virgin Media O2 customer bases as they steadily churn in the growing areas of overbuild.

This is premised on altnets having comparatively lower churn, securing a disproportionate share of the migration pool, and steadily (albeit slower than would be liked) catching up to Openreach levels of fibre takeout on older, mature build cohorts. He prodded Openreach Deputy CEO Katie Milligan here, about looking forward to seeing continuing customer losses to altnets (recently annualised at around one million) in BT's next earnings release.

Chelot says all of Netomnia's any scenarios see Openreach losing customers, and he envisages a scaled altnet being able to make a 'ton of cash' by the end of the decade.

The Netomnia USP

In a later panel session, Chelot made a more explicit pitch to investors, offering a trio of reasons why he considers Netomnia to be uniquely attractive to those with cash to splash. "**Three things**", he said:

"*Number one for us is the ability to* **monetise the network**", with Chelot claiming his retail ISP — YouFibre — is outperforming the established brands by a "*significant margin*". "*Therefore, we have the ability to take any network across the whole of the UK and monetise them without having any dependencies on any other retailer*", he said.

Second is Netomnia's proven **ability to raise capital**. The latest, in mid-2025, which took commitments to £1.6bn, will be followed by another before the end of the year, Chelot promised, continuing a trend of two fund-raises per annum.

Third is the result of the first two things coming together.

> "*It means that we'll be able to* ***create a platform*** *which today has the lowest debt per RFS [ready-for-service premises], by a significant margin of any platform, and therefore will be attractive in a consolidation or an exit. And therefore we'll create opportunities in the future.* " — Chelot.

He claimed to have less than £300 of debt per RFS, "*something that no other company in the UK of scale has currently*".

As his argument goes, an efficient and scaled platform brings certainty to investors that Netomnia will "*create an opportunity to exit*" — a prerequisite to attracting funding in the first place.

More whole-buy on the cards where economics click

Beyond build, Netomnia signed a deal with Openreach in September to gain off-net access to 1.5 million homes via the incumbent's infrastructure.

This extends the altnet's reach substantially and, crucially for Chelot, is pitched as enabling Netomnia to retain customers that move to homes outside the self-built footprint.

Although the margins do not match that of customers on Netomnia's own infrastructure, Chelot said the economics still work out. "*I've paid for the cost of acquisition, I've paid for the cost of the CPE* [*customer premises equipment*]*, so why not keep them and get some money?*".

He said that Netomnia has paid "*like £400,000*" to get access to the 1.5 million premises. "*So it's really, really cheap for us. That's step one. After that, we might do more*".

This off-net, infill retention strategy is being embraced by other altnets also citing losses to premises outside of their footprint as a major no-fault proportion of customer churn. It is not uncontentious, however, with another panel revealing it as the first ever major strategic disagreement between Fibrus founders Conal Henry (against) and Dominic Kearns (in favour).

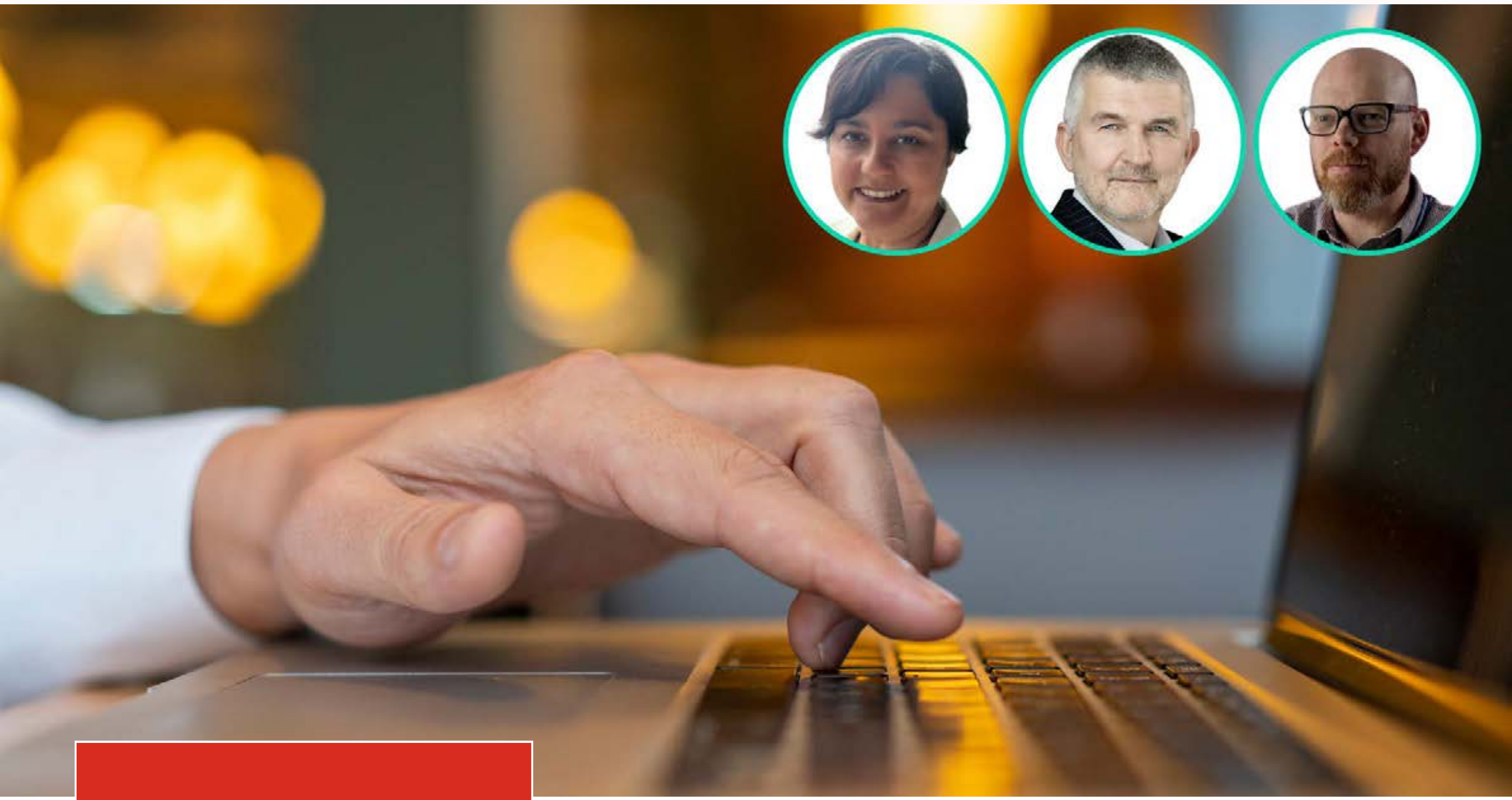

Image: Freepik

REGULATION

Industry maps next steps for UK's One Touch Switch

- TOTSCo to focus on two key areas over the next year to further improve and streamline *One Touch Switch* service.
- BT and Grain Connect among players highlighting potential methods to improve successful switching rates.
- Business switching still at the testing phase, with launch timeline to come following further assessments and discussions across the industry.
- One year on from OTS' launch, *Connected Britain* attendees highlighted customer experience as a main focus area going forward to avoid churn and improve user satisfaction.

One year on from the launch of the UK's *One Touch Switch (OTS) process*, The One Touch Switching Company (TOTSCo) has laid out plans to further streamline consumer migration between UK fixed broadband providers, while continuing to build an equivalent enterprise platform.

Speaking at *Connected Britain 2025*, Paul Bradbury, Chief Executive at TOTSCo, ran through the *TOTSCo Hub* platform's first-year highlights: 22 million messages processed, courtesy of collaboration with technology partner Tech Mahindra; and 1.67 million switch requests completed since launch, up from 1.5 million as of mid-August 2025.

This means the average number of daily switches overseen by the platform over the past year is around 4,300, representing a marked acceleration since launch. In the platform's first month after going live, TOTSCo reported an average of 3,055 daily switches.

Paul Bradbury
TOTSCo

“ *In summary, should we be pleased? I think we should be fairly pleased, but as we've already said, there's plenty still to do.* ” — Bradbury.

TOTSCo was established in 2022 to help develop and operate a platform for UK fixed broadband players to implement OTS, after regulator Ofcom mandated in 2021 that providers offer the service for residential customers. The launch was originally scheduled for 3 April 2023, but it was delayed multiple times as CPs said there was "*insufficient time to complete industry-wide testing and trials*". Providers can opt to use their own systems to manage OTS, rather than using TOTSCo's platform, but they are required to integrate and share data with the *TOTSCo Hub*.

Matching up

Bradbury said TOTSCo will focus on two key areas to improve OTS over the next year, the first of which is "*continuous improvement and refinement*" of the existing platform, with a particular emphasis on increasing the match rate — the percentage of customer switch requests that succeed on first attempt.

According to TOTSCo's latest data, the platform has had an average match rate of 65.6% over the past month, representing only a 5.6 percentage point increase from around 60% in OTS's early days.

Bradbury noted that the match rate varies between providers, claiming that certain CPs are "*regularly*" achieving rates of 80%, albeit without offering names.

Neena Rupani
BT

Neena Rupani, Principal of Regulatory Affairs at BT Group, said the operator has implemented multiple recommendations from independent telecoms body OTA2, and claimed these have made a "*real difference*" in improving match rates.

However, she added that while an 80% rate is achievable, "*we'll never be able to get to 100%*", and therefore alternative solutions are needed to ensure providers can resolve unsuccessful matches.

> "*We really need to find a way of delivering for those one in five that don't necessarily match, and we can't match them for whatever reason. And at the moment, I think we haven't quite got there.* " — Rupani.

Richard Fletcher
Grain Connect

Dan Shilcock, CEO at software provider Zentive Group (which has collaborated with TOTSCo on the technical design of OTS), expressed similar concerns, noting that one of the only solutions to resolve unsuccessful switches at present is to directly reach out to the other provider involved in a switch. He said this works, "*but it's not compulsory*".

As a potential fix, Richard Fletcher, Chief Information Officer at altnet Grain Connect, called on players to develop internal measures of success relating to match rate improvements. "*It doesn't require enforcement, it just needs the industry to get behind it*", he said.

Business switching still in the lab

The second focus for TOTSCo is making progress with the *Gaining Provider Led Business* (GPLB) enterprise switching service. Bradbury described the service as an "*obvious extension*", given milestones that OTS has reached so far and requests for an equivalent enterprise offering from "*some larger customers*".

As previously announced, he said that testing of GPLB switching is underway, with BT and Virgin Media O2 among those participating in trials.

However, Bradbury was non-committal when questioned on launch timelines, only saying it will be "*as soon as possible*".

> *Once, I think, the industry has impact-assessed that, and we've had the relevant conversations with our own user group, we will be able to put a timetable out about when we anticipate the integration test phase will start and then when the trials phase will start.* " — Bradbury.

Bradbury noted that enterprise switching presents different challenges when compared to consumer switching, primarily given the different commercial and regulatory environments.

> *There is competition. There is a plurality of processes and providers who are involved. But we are very happy to be involved in that, and I think we need to play our part.* " — Bradbury.

Simple switching means some winners, some losers

Across other sessions at *Connected Britain*, multiple broadband business execs highlighted OTS' consequences, among which is heightened awareness of the importance of keeping customers happy, with increased focus on multi-play and experiential differentiation to avoid being at the mercy of perpetual price-led acquisition and retention discounting.

For instance, Dana Tobak, CEO at Hyperoptic (which is among altnets reporting to have gained customers through OTS), said the ease of switching has created a "*more competitive environment*" and incentivises players to improve services in order to retain long-time customers. "*We're winning, so we're happy with it, but it does create movement in the marketplace*", she said.

> *"I know the old-style ISP orientation was 'hope [customers] don't notice that their package price is going up and don't talk to them', but obviously that's changed in the new market thanks to the altnets, [and] thanks to people aggressively looking at bringing customers onboard. We really have to nail a great customer experience."* — Tobak.

Alex Blowers, Director of Regulatory Affairs at CityFibre, offered a similar view elsewhere at the event. He said OTS "*will definitely help*" drive customers onto the best fibre products at the best price.

Dan Bloch, Senior Vice-President of Global Solutions at broadband software player Calix, broadly agreed, adding that providers must think about ways to differentiate as the market becomes more saturated with offerings. "*Somebody comes up with a better financial offer,* [and] *it's very hard to show why they should stay with you and have you stay loyal*", he said.

He called on players to consider using AI to set themselves apart through offer personalisation and the prediction and management of service problems.

Image: BT

PEOPLE

Howard Watson to retire, Greg McCall steps up

- Greg McCall stepping up as part of an orderly transition, with years of experience across key network technologies.
- Veteran networks chief Howard Watson departs after overseeing over a decade of seismic change for BT networks, coming in at a time of FTTC and nascent 4G, and leaving as full-fibre and 5G SA begin to take hold, with core infrastructure transformed with the rise of cloud-native technology.
- With Watson's departure the Kirkby era overhaul of the BT ExCo will be virtually complete.

BT has announced that long-serving networks chief Howard Watson is retiring in 2026. Greg McCall, currently Chief Networks Officer, will take over as Chief Security & Networks Officer from January, with his predecessor officially departing at the end of the current BT financial year in March 2026.

BT Chief Executive Allison Kirkby has held up McCall as a "*fantastic example of the bench strength we have within BT*". His experience across the BT network landscape was highlighted in today's announcement, with his role in the launch of over-the-top broadcaster *BT Sport*, the network upgrades necessary to fulfil BT's *Emergency Services Network* obligations, and delivery of *Wi-Fi 7* products highlighted, alongside his contribution to maintaining performance levels for the broadband and mobile networks.

Kirkby also said BT is "*incredibly grateful*" for Watson's commitment, expertise and impact within the group, and the industry more widely. As Watson retires, he said he is leaving "*the best job of my career*" while expressing "*full confidence*" in McCall and the wider BT networks team to continue driving the operator forward.

McCall, meanwhile said he will be "*proud to carry forward the momentum*" within the networks division and flagged the importance of innovation around AI, security, and reliability for customers.

> Greg McCall is very much the **continuity candidate** in BT's network management, having seemingly been on a path to taking on Watson's mantle for several years now, and certainly since the reorg that saw the creation of a new Networks Technology Unit this time three years ago (*BTwatch*, #340).
>
> In recent months he has been **an increasingly vocal presence** at the operator, and will now be charged with addressing the challenge of a revitalised, heavily investing mobile heavyweight in VodafoneThree, readying core infrastructure to meet the demands of an AI-driven economy and the development of network-as-a-service, and ensuring that the group's fibre network is keeping pace with access technology upgrades gathering pace in an increasingly competitive sector.

Arriving in analogue, departing in digital

BT paid tribute to the "*remarkable legacy*" Watson is leaving with the operator, highlighting his role in establishing BT's positioning as a leader in research into AI and quantum technology, and its role in keeping "*our customers and the country safe*".

This arguably underplays Watson's achievements, in pursuit of a handful of buzzwords.

He has certainly played a key role in BT's quantum drive (albeit R&D was the purview of Tim Whitley at Adastral Park until 2023, and led more recently by Gabriela Styf Sjöman), and network security is a serious responsibility elevated in recent years, but the range of Watson's achievement goes beyond that, tackling some of the most significant changes to communications infrastructure in decades.

Since arriving at BT in 2011, Watson has overseen the shift from analogue to digital networks, championed virtualisation and the arrival of cloud-native networking, and the pursuit of data-driven business models.

BT has gone from a fixed-only operator to a converged player with the EE acquisition, and implemented a converged fixed-mobile core handling 5G and full fibre networks. When Watson started he was also handling the development of BT's television service, rationalising multiple platforms into a more coherent proposition, before then addressing the over-powering rise of on-demand streaming.

Progress in transformation may not have been as fast as many would have hoped for, but change in an organisation such as BT is inherently challenging, and attempting too much is likely to engender missteps that hamper progress, as was the case, it could be said, with early attempts with BT Digital to break with the past and accelerate transformation.

Watson has also had to manage several changes in group management and strategy, and deal with external events such as the shift in government policy that saw severe restrictions on the involvement of 'High Risk Vendors' in networks and required the extraction of Huawei from much of BT's infrastructure.

This has been managed, seemingly serenely and cheerfully, by Watson, and in recent years as BT has undertaken continued restructuring, he has often been relied upon as a safe pair of hands (*BTwatch*, #359).

Kirkby will be hoping that what she described as "*the passing of the baton*" for a vital role at the operator comes off smoothly.

PSTN remains undefeated...

Watson is another networks leader to be **outlasted by the PSTN**, despite earlier hopes it would be a thing of the past by now (*BTwatch*, #276). While it's shuttering is now largely a matter of time, in the new BT leadership era it should be hoped that McCall will be in post long enough to see the last traces of an earlier generation finally retired.

ExCo overhaul continues at pace

With McCall set to take over from Watson in 2026, the BT Group executive committee will have had an almost complete refresh since the appointment of Kirkby as CEO in 2024.

With veteran Chief Financial Officer Lowth also departing in 2026, Company Secretary Sabine Chalmers will be the only permanent committee member predating the CEO, alongside the occasional attendee Clive Selley, Openreach CEO.

Table 1 Anticipated BT Group Executive Committee, summer 2026*

Executive	Role	Appointed to ExCo
Allison Kirkby	CEO	2024
Patricia Cobian	CFO	2026
Claire Gillies	CEO, Consumer	2025
Jon James	CEO, Business	2025
Peter Leukert	Chief Digital Officer	2025
Greg McCall	Chief Security & Networks Officer	2026
Alison Wilcox	Chief People & Culture Officer	2025
Sabine Chalmers	General Counsel, Company Secretary, and Director of Regulatory Affairs	2018
Clive Selley**	CEO, Openreach	2016

Note: * Pending further changes. ** Cannot be an ExCo member under Openreach separation rules, but attends meetings "*as appropriate*".
Source: BT.

Image: Andrey Andreev / Unsplash

Peoplewatch: European rollback leads to regional leadership swaps

- Group — procurement changes, more in brand and marketing.
- Consumer — product leadership exits.
- Business — business transformation execs move on, Italia divestment makes its mark.
- Openreach — board director takes on external role.
- Alumni — Katherine Ainley and Marc Overton get new digs.

Group — Sébastien Barberis, Jeff Langlands...

- **Sébastien Barberis** has been replaced by **Tim Butler** as Vice-President for Business Procurement at **BT Sourced**. Barberis, who joined the Dublin-based procurement division in 2021 from Rogers Communications, said he is moving to Belgium for his not-yet-announced next step. Butler, who like Barberis has experience at BT rival Vodafone, was previously Services Procurement Director but has now taken on a combined Services & Business role.

- **Patricia Cobian**, incoming BT Group Chief Financial Officer (CFO), has joined the **Guardian Media Group** Board of Directors. Cobian is due to take up the reins at BT from Simon Lowth in summer 2026, having left Virgin Media O2 where she held the same role (*BTwatch*, #367).

- **Jeff Langlands**, **General Counsel** for Corporate, Digital & Networks at BT Group, has exited for UK grocery giant **Tesco**. He has been named General Counsel for the UK and Republic of Ireland.

- In another edit to BT's brand and reputational change team, **Helen Whetton** has been appointed **Brand & Marketing Communications** Director. She previously held a similar role at BT Business, but now works with recently-appointed Managing Director (MD) for Brand Cilesta van Doorn at Group-level. Meanwhile, at **BT Consumer**, **Kelly Engstrom** has been named **Brand & Communications** Director. She was Brand & Demand Generation Communications Director at the division before the switch (*BTwatch*, #367 and #368).

Technology — Sam Hyner-Dring

- **Sam Hyner-Dring** has been named **People & Culture** Director at BT Digital. She joins from ING Hotels & Resorts, where she was Human Resources Director.

Consumer — Danny Marshall, Priyesh Patel

- **Danny Marshall**, Device Portfolio & Business Development Director at EE, has left to join life sciences kit maker **Inventus Group** as **Chief Product Officer**. He spent 14 years as EE (and T-Mobile, pre-acquisition), most recently focused on the consumer unit's devices business, "*seeking out new partnership opportunities*", he said.

- **Priyesh Patel** has left BT after a two-year stint to be named Head of Product Marketing at YourParkingSpace, a parking technology provider. He was Head of **Product Strategy & Marketing** at BT Consumer before leaving, focused on the converged broadband and mobile portfolio.

Business — Haider Khan, Andrea Giovanni, Luca Dammora...

- **Tom Birnie** has been named Director of **Cost Transformation** for UK Business, charged with delivering what he described as a "*multimillion-pound cost savings programme*". He was previously Service Transformation Director at BT Business.

- **Susana Blanco**, a sales director focused on the travel, aerospace, and defence sectors, has been named Director of Strategic Partnerships in BT International's **Technology & Security** team.

- **Shirlayne Dunwoodie** has been named Director of **Fixed & Mobile** at **M Group Telecom**. She was Director of Specialist Sales, Contract Management & All-IP Programme at **BT Wholesale** before exiting in March 2025, ending a 28-year career at the Group. She said M Group Telecom is entering a "*pivotal point*" as it bolsters its lifecycle services proposition for fixed, private, and mobile operators. Recent deals include securing a berth on the 5G network rollout team of BT rival VodafoneThree (*Vodafonewatch*, #241).

- **Douglas Grierson** has been named Director of **Business Development** for private sector customers in the UK. He has been Co-Founder and Chief Operating Officer of **The One Broadband** for the past two years, a consumer ISP. Meanwhile, **BT Wholesale** Business Development Director **Rashid Sharif** has retired after 20 years at the Group.

- **Haider Khan**, Business Transformation Director, has left BT for UAE-based telco **du**. He has been appointed **Commercial Transformation** Director at the operator, ending a two-decade career at BT (*BTwatch*, #368).

- **Darren Marsh** has completed the UK MNO clean sweep by moving from BT to VodafoneThree, having previously spent 20 years at Telefónica UK/O2. Most recently Partner Recruitment Director at BT Business, he has been named **Partner Acquisition** at **VodafoneThree**.

- **Deepanshu Motani** has been named interim **Business Architecture** Director at BT, stepping up from his time as Principal Enterprise Architect.

- At the start of October 2025 **Retelit** completed its acquisition of the bulk of BT's Italian assets and set up a new **Retelit-X** subsidiary to house them (*BTwatch*, #364 and *see separate*). A series of transfers have followed, including that of **Andrea Giovanni**, Country Manager at **BT Italia**, now MD at Relelit-X. BT has retained a presence in Italy, with **Luca Dammora** appointed to replace Giovanni as **CEO** and **Country Manager** of BT Italy. He was Client Partner at the business before the change. Meanwhile, **Quentin Le Masne**, MD and CFO at **BT France**, has added BT Italy to his remit.

Openreach — Natalie Ceeney

- **Natalie Ceeney**, **Non-Executive Director** on the Openreach board, has been appointed Chair at **The Connection Project**. The industry group brings businesses and charities together to ensure wide-spread participation in the UK's digital society.

Alumni — Katherine Ainley, Marc Overton

- Five years after leaving BT, **Katherine Ainley** has stepped down at **CEO** for UK & Ireland at **Ericsson**. Rather than announcing her next executive position, Ainley said she is taking some time to do an AI course at the Saïd Business School, part of Oxford University, before "*building on my time at Ericsson*" at a later date. Ainley remains on the Board of industry body TechUK and on the Advisory Board at government telecoms innovation platform UKTIN. Before Ericsson, Ainley led **BT Ventures**, which was all but dissolved in the year before her departure from the Group. Ventures housed BT Fleet and Tikit (both divested in 2020), alongside PhoneBook, security monitoring player Redcare, and the Payphone and StreetHub businesses — all of which were brought under the BT Enterprise wing and, now, are held as UK Portfolio Businesses as part of BT Wholesale.

- **Marc Overton**, MD for BT Business's erstwhile innovation unit **Division X**, has been appointed MD for EuroNorth at **Dassault Systèmes**.

Image: BT

ELSEWHERE IN GROUP

New space in Scotland

- **EE has opened its latest *Experience Store*, this time in Glasgow**. It is the first such store in Scotland and fourth launch in 2025 (following Merry Hill, Sheffield, and Nottingham). It forms part of EE's planned £3m investment in bricks and mortar retail in the current financial year, used to open regional *Experience Stores* and smaller *Experience Local* sites.

Technology

DIGITAL

NETWORKS

Image: Valentin Zickner / Unsplash

DIGITAL

Drones investment Altitude Angel becomes latest Etc. venture to fall

- Industry reacts as Altitude Angel appoints administrators, raises questions about airspace security.
- BT had invested £5m in the startup in 2023, but Group says internal drones business "*unaffected*" by developments.

Two and a half years after BT invested £5m in the business, drone management platform provider Altitude Angel has appointed administrators.

In filings with Companies House, the startup confirmed that administrators from FRP Advisory have been brought in.

BT acquired an equity stake in Altitude Angel in 2023 via a £5m investment from Etc., the since-shuttered incubation unit of BT Digital. Dave Pankhurst, then Director of Drones at Etc. and currently Director of Future Connected Solutions at BT, took a seat on the startup's advisory board which he has retained since (*BTwatch*, #336).

In addition to the funding, BT provided connectivity, network infrastructure, and "*scalability experience*" for *ARROW*, Altitude Angel's unmanned traffic management (UTM) software. BT said it would also become a "*key reseller*" of Altitude Angel's software.

In early-2025, Altitude Angel Head of Communications Stephen Farmer said the *ARROW* technology was "*ready to scale and make the UK a leader in automated flight*".

Drone technology was one of three verticals prioritised by BT's incubation arm Etc. when it was established in 2022 (alongside fintech and healthtech). When Etc. was disbanded in 2025 and merged with BT Business's Division X to form a new innovation unit, drones were highlighted by Tom Guy, former Etc. lead, as one of its success stories. Drones, alongside business intelligence platform Active Intelligence, had moved "***from startup to scale-up***", he said (*BTwatch*, #337, #361–#362, and *passim*).

Etc. embodied the '**fail fast**' mantra of its co-founder Harmeen Mehta (who was BT's Chief Digital & Innovation Officer until her 2024 departure), and shuttering ventures was, arguably, always part of the plan. Altitude Angels joins a handful of BT's internal ventures that reached end-of-life, including RapidWorks (an innovation best practice playbook), the entire healthtech vertical, and the electric vehicle charging pilot that sought to reuse streetside cabinets as EV charge points.

Minor turbulence for BT

Although in recent years BT has been quiet on the drones front compared a far noisier early-2020s, the Group does have a number of interests in the field. The operator suggested news from Altitude Angel does not change that.

"*We're aware of and sorry to learn about the recent developments at Altitude Angel. Our drones business is unaffected and we remain focused on developing and providing specialist connectivity solutions and services for drone operators and organisations.* " — BT spokesperson.

At BT Business, commercial drone developments include a tie-up between BT Defence and each of the three British Armed Forces; *BT Counter Drone Solutions*, a partnership with Australian counter-drone security specialist DroneShield to provide detection and response services to combat so-called "*rogue drones*"; and *Drone SIM*, a bespoke card and plan that uses EE's mobile network (*BTwatch*, #336).

On the innovation front, BT-backed drone projects include a commercial partnership with solutions provider COPTRZ in November 2022, primarily focused on drone pilot training for infrastructure inspection. Earlier in that year a consortium led by BT received government support through the *Intelligent Drones for Port and Highways Technology* project, part of the £125m government-backed *Future Flight* challenge.

Industry braced for impact

Beyond BT, the appointment of administrators at Altitude Angel comes as the risk of unregulated drone use near airports is back in the headlines. Drone incursions have caused major disruption at several European airports in recent weeks.

In a comment to specialist outlet *Unmanned Airspace*, Secretary-General of the Global UTM Association Koen De Vos said European platforms like that of Altitude Angel should be considered "*vital foundations against Russia while ensuring the continent's independence from the USA*". Speaking of the startup's collapse, he issued a warning to the authorities in the continent.

> "*I hope this is a wake-up call for European authorities that we need to build UK and European capabilities in this area.*" — De Vos.

The wider drone and airspace management industry has reacted with a similar sentiment to the news.

Drone association ARPAS-UK said it was "*sad and surprised*" by the development, noting that Altitude Angel has been "*at the forefront of the drone industry for nearly a decade*".

> "*Thousands of drone operators and remote pilots have relied on the Drone Assist app as an essential tool for safe and compliant operations. We hope that the platform will be taken forward by another organisation to ensure continued service to the community.* " — ARPAS-UK.

ZoneAware, which providers an AI-powered system to counter the threat of unwanted or hostile drones, described it as "*sad and concerning*", with the loss of Altitude Angel meaning "*planning scheduled use of unmanned airspace just became much harder*".

Rivals have looked to step up and fill the gap. Dronecloud co-founder Jan Domaradzki said that it intends to continue providing UTM flight data to Altitude Angel, pending "*clarity for* [*sic*] *the administrators*"; Air Portal has said "*we're well-positioned to help ensure continuity and stability during this period, if required*", at UK airports.

Image: Lobar Qudratovna / Unsplash

NETWORKS

UK MNOs bag equal share of mmWave spectrum in £39m auction

- BT, VodafoneThree, and Virgin Media O2 share the spoils in Ofcom s delayed auction, each committing £13m for 26GHz and 40GHz spectrum.
- Assignment stage still to come, which will see operators jockey for specific airwave positions.
- Roundup of current spectrum holdings, with BT winning in low-band 5G but VodafoneThree leveraging post-merger scale to beat rivals in mid-band.
- VM O2 talks up early mmWave trials, but operators concede that handset market is not yet ready to leverage the tech.

The UK's three mobile network operators have split the cost evenly in the first stage of Ofcom's long-awaited mmWave spectrum auction.

BT, Virgin Media O2, and VodafoneThree have each committed to pay £13m to secure 800MHz of 26GHz spectrum and 1GHz in the 40GHz band — the reserve price set by the regulator.

The £39m raised is heading to the Treasury.

With the 'Principal' stage of the auction complete, the 'Assignment' stage can begin. It will see MNOs bid on their preferred frequency positions, in the airwaves secured during the initial phase of the auction.

> *"The large amount of spectrum we've released will help support innovation, open doors to new applications and growth, and can bring noticeable improvements to mobile services in busier places up and down the UK."*
> — David Willis, Director for Spectrum, Ofcom.

Higher spectrum frequencies offer more capacity but lower signal strength, best suited to 5G services in high-density, high-traffic areas. Ofcom spotlighted stadiums and transport hubs as potential use-cases, with fixed-wireless access links also likely.

The auction covers 15-year licences in areas deemed "*high density*" in 68 towns and cities.

Table 2 mmWave spectrum awards

Operator	Lots won	Base price
BT/EE	4 × 26GHz upper lots	£8m
	5 × 40GHz lots	£5m
Virgin Media O2	4 × 26GHz lower lots	£8m
	5 × 40GHz lots	£5m
VodafoneThree	3 × 26GHz lower lots	£6m
	1 × 26GHz upper lots	£2m
	5 × 40GHz lots	£5m

Source: Ofcom.

All square but BT claims the win

The 26GHz and 40GHz bandwidth is intended to complement the 5G-suited spectrum already held by MNOs in lower frequencies such as the 700MHz low-band and 3400MHz mid-band.

BT has more 700MHz spectrum than its rivals combined, while VodafoneThree (helped by the merged operator's recent combination) has access to triple the amount of 3400MHz spectrum controlled by BT, albeit with some of that shared or to be handed over to VM O2 via spectrum sharing and takeover arrangements signed in June 2025.

While honours are ostensibly even in the 26GHz and 40GHz bands, BT Director of Network & Spectrum Strategy Mark Henry has highlighted the difference in the 'upper' and 'lower' 26GHz lots.

He pointed out that BT's 800MHz of 26GHz is in the lower part, or the "*clean*" portion, of the band, and so will be available for exclusive use once allocated.

By contrast, VodafoneThree and VM O2 have both won licences in the upper band, which will require coordination with existing spectrum users until the end of 2028.

> "*Despite us winning the better 26GHz allocation that is immediately usable in all of the licensed areas, we paid the same price as the other operators.* " — Henry.

Table 3 UK MNO spectrum holdings

Operator	700MHz	800MHz	900MHz	1400MHz	1800MHz	1900MHz	2100MHz	2300MHz	2600MHz	3400MHz	26GHz	40GHz
BT/EE	43MHz	10MHz	–	–	90MHz	10MHz	40MHz	–	100MHz	80MHz	800MHz	1GHz
Virgin Media O2	20MHz	20MHz	34.8MHz	20MHz*	11.6MHz	5MHz	44.8MHz*	40MHz	25MHz 25MHz*	40MHz 80MHz*	800MHz	1GHz
VodafoneThree	20MHz	30MHz	34.8MHz	20MHz 20MHz*	41.6MHz	5.1MHz	28.5MHz 44.8MHz*	–	40MHz 25MHz*	190MHz 80MHz*	800MHz	1GHz

Note: * Spectrum listed as shared by VM O2 and VodafoneThree, some of which will be acquired by VM O2 under the June 2025 deal.
Source: Ofcom; *TelcoTitans BTwatch*.

VM O2 gets to work, BT signals 'strong outcome'

Although the auction is not yet complete, VM O2 has already started to talk up its plans for the licences it will acquire.

Using trial mmWave licences, the operator has conducted "*successful real-world 5G standalone*" tests, achieving speeds of 4Gbps. Conceding that there are precious few handsets that are ready to utilise the mmWave spectrum, VM O2 claimed it will be "*ready*" when the technology comes mainstream. It noted that its small cell network of more than 2,000 sites is the UK's largest, "*ideally suited to make use of mmWave spectrum*".

Similarly noting the potential value of the mmWave spectrum once compatible devices proliferate, BT has highlighted the need to maximise how spectrum is "*shared across operators — not just for the benefit of all mobile customers, but also in encouraging technology partners and device manufacturers to build these latest spectrum bands into their own product roadmaps*".

Greg McCall, Chief Networks Officer at BT, said the auction is a "*strong outcome*" for customers and the UK, "*supporting new services and applications like high-performance private networks*".

Next up: D2D, 6GHz?

The release of mmWave spectrum is a long time coming. Earlier plans were delayed to allow for the merger of Vodafone UK and Three UK to complete, and the impact on their respective spectrum holdings to be made clear. The spectrum sharing agreement signed between VodafoneThree and VM O2 helped allay concerns.

Ofcom is consulting on further spectrum licencing changes, too.

In September 2025, the regulator unveiled plans to firm up an authorisation framework for direct-to-device (D2D) satellite communications over mobile spectrum by the end of the year, likely using a discretionary licence exemption to cover mobile handsets that connected to D2D services on sub-3GHz spectrum allocated to an MNO (*BTwatch*, #368).

Richard Moore, Spectrum Policy & Analysts Principal at Ofcom, said he envisions a "*relatively smooth introduction*" of D2D in the country at some point in 2026.

Use of the upper 6GHz band is also under consideration, with Ofcom looking at a shared access setup for use by both *Wi-Fi* and mobile. The regulator said it wants to enable sharing between *Wi-Fi* and mobile to unlock "*the maximum possible benefits of the band to all band users*". It is working with "*international partners to push for harmonised standards of this*", it said in July. Under current proposals, low-power indoor *Wi-Fi* will be introduced onto the band first, potentially by the end of the year, with mobile to follow "*later, once European harmonisation is more mature*".

A consultation into the authorisation of lower 6GHz spectrum is also underway, pending "*sufficient interest from industry*".

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Image: BT

BT targets lead in UK's 5G standalone coverage race

- BT unveils technology and coverage ambitions behind its 5G SA rollout, including headline target to hit 99% population coverage in 2030.
- Long-running partner Ericsson to help expand coverage with upgraded massive MIMO tech, with first sites now live.
- Move positions BT to become first operator to achieve 99% 5G SA coverage, although rivals have updated on their own plans to accelerate rollout.

BT has announced a fresh 5G standalone (5G SA) rollout target to cover 99% of the UK population by the end of March 2030, pitting it ahead of rivals Virgin Media O2 (VM O2) and VodafoneThree.

Howard Watson, Chief Security & Networks Officer at BT Group, has said the operator plans to roll out several technologies across its mobile network to achieve the new target, which he noted is "*four years ahead of any other UK mobile operator's stated projections*".

The plans position BT to become the first operator to pass 99% 5G SA coverage, with VodafoneThree aiming to achieve 90% population coverage by 2028, and 99.95% by the end of 2034, while VM O2 has not given a long-term rollout target.

BT was the third to launch 5G SA technology in the UK, with its first sites going live in September 2024. This came after pre-merger Vodafone UK switched on initial 5G SA sites in June 2023, and VM O2 doing the same in February 2024.

BT's 5G SA network currently covers around half of the UK's population (~34 million), up from 43% in March. As of June, VodafoneThree's 5G SA network covered 47% (~32 million), and as of mid-September, VM O2 reached 70% (49 million).

All aboard the massive MIMO train

Among the technologies Watson noted is massive multiple input, multiple output (MIMO) radios, which rivals have also invested in as part of their network rollouts.

BT has launched two *AIR 3284* triple-band massive MIMO radios from Swedish vendor Ericsson in the city of Leeds. It plans to launch "*hundreds*" more before the 2030 target.

The radios use *Frequency Division Duplex* tech, meaning they use separate frequencies for downlink and uplink, enabling simultaneous two-way transmission. This is opposed to *Time Division Duplex*, which uses a single frequency that rapidly alternates between processing downlink and uplink transmissions.

BT claimed the technology enables it to achieve four times greater uplink capacity when compared to its existing 5G network.

> BT has previously launched **massive MIMO** technology, having worked closely with Ericsson since September 2021 to support development of radios with the hopes of launching the equipment on mid-band spectrum.

VM O2 has also adopted massive MIMO tech at its first so-called *Giga Site* — masts equipped with dual-band massive MIMO radios from Nokia — in London, with plans to deploy more than 1,000 across the UK during 2026. It claims these radios can boost capacity and improve spectrum efficiency when compared to its existing 5G radios.

Meanwhile, VodafoneThree recently handed more than £2bn of this funding to Ericsson and Nokia in a pair of major network contracts, part of which comprises 5G SA rollout. This includes massive MIMO radios from Nokia's *Habrok* line (*Vodafonewatch*, #241).

Other tech in place to boost 5G SA

BT highlighted other technologies that will help it to achieve the 99% coverage target.

Another was *Advanced RAN Coordination* (ARC), which it launched in September 2025. The system enables capacity sharing between neighbouring mobile sites, thereby boosting network performance (*BTwatch*, #368).

BT added that it will continue to roll out small cells to boost 5G SA coverage, claiming that it now operates 1,500 small cells across the UK, up from approximately 1,000 in August 2024.

> Notably, James Hope, Director of Mobile RAN at BT, has welcomed news that **Boldyn has surpassed 200 small cells deployed in London**. The neutral host provider said numbers "*continue to grow*", with average install time around three months. Hope said "*small cells are a critical part of our mobile network, boosting capacity and performance in the busiest locations and at the busiest times*".

Business

Image: Freepik

M&A

BT Italia divestment complete as Retelit crowns infra leader

- Andrea Giovanni Bono named as Managing Director of Retelit-X, the subsidiary that the Italian digital infra provider has created to house recently-bought BT Italia assets.
- Retelit CEO Jorge Álvarez said the new unit is tasked with expanding the group's cloud, connectivity, and security solutions.

Andrea Giovanni Bono

Andrea Giovanni Bono / LinkedIn

Italian business-to-business digital infra provider Retelit has appointed Andrea Giovanni Bono Managing Director of Retelit-X, a newly created subsidiary housing assets it acquired from BT Italia (*BTwatch*, #364).

He was Country Manager for Italy at BT since April 2017. In his new role, Bono will oversee the infrastructure and services portfolio that Retelit purchased from BT — now integrated into Retelit-X — which the business has claimed will enable it to "*significantly strengthen*" its position in the Italian market.

This includes four data centres and an unspecified amount of terrestrial fibre, which Retelit said has boosted its infra portfolio to include 38 data centres and more than 47,000km of fibre.

> Prior to joining BT as Sales Manager in 2005, **Bono** worked in sales and marketing positions at engineering business Albacom now-defunct computer hardware manufacturer Tandem Computers. During his time at BT, he worked as Vice-President of Global Oil & Gas Sector between 2012 and 2015, after which he became Country Manager of Switzerland, Nordics, Central Europe & Russia.

Asterion continues infra push

Retelit has said the creation of Retelit-X is aimed at driving an expansion of its cloud, connectivity, and security solutions by leveraging the talent pool and customer base it has taken on from BT Italia.

> BT Italia had over **360 business clients** prior to its integration into Retelit-X. The operator did not disclose its total number of employees, but has retained certain employees and offices in Italy post-transaction to support international customers.

Jorge Álvarez, Chief Executive at Retelit, said the new unit will operate a digital platform to serve small- and medium-sized businesses (SME), large corporations, telcos, and over-the-top streaming players, including "*multinationals and the public administration*". He noted that it will continue to collaborate with BT in the future.

Additionally, Álvarez said the BT Italia buy aligns with parent business Asterion Industrial Partners' strategy to build up a western European digital infra portfolio through "*targeted*" acquisitions.

As part of this strategy, Retelit bought BT Enìa, a then wholly-owned IT services subsidiary of BT Italia, in January 2024 (and subsequently rebranded it to Retelit Enìa — *BTwatch*, #351).

Further, it has taken over TIM's submarine cable unit, Sparkle, in partnership with the Italian government, which also saw it take over various subsea landing stations and data centres.

> Under its strategy, Asterion has also formed a large Spanish fibre player (Olin Group) from several of its smaller interests. It plans to invest further in 'mid-market' European infra through ***Asterion Fund III***, which closed at €3.4bn in September 2025.

BT finalises Italian exit

For BT, the sale of its Italian operations follows the divestment of various parts of the unit in recent years, including moves to offload fixed-line retail and public sector subsidiaries to TIM in 2020 and its IT outsourcing subsidiary ERPTech in 2022.

It also continues the Group's shift towards an 'asset-light' strategy, as Chief Executive Allison Kirkby tightens focus on the UK market. During 2025, this has seen the operator sell off two Irish data centres to Equinix, as well as BT Ireland's enterprise and wholesale unit to fixed network operator Speed Fibre.

Additionally, recent reports have indicated it is exploring further possibilities with its international business, including through a possible stake sale. AT&T and Orange are said to have discussed possible tie-ups in this area.

Image: wirestock / Freepik

REGULATION

Clearing the Eir: Irish operators criticise 'excessively lax' access rules

- Industry body ALTO, representing operators such as BT, Vodafone, Enet, and Sky, calls for review into regulation of incumbent.
- Claims Eir SLAs miss the mark, with access to infra a key issue.
- 'Flawed' regulatory process called in question.

Ireland's Association of Licensed Telecommunications Operators (ALTO), which represents BT, Vodafone, and a host of other local telecom players, has called on the regulator to conduct a review of its oversight of former state monopoly Eir.

In a letter sent to ComReg and Ireland's Minister for Communications, Culture & Sport Patrick O'Donovan, ALTO said the country can "*no longer rely on the status quo of an arguably flawed regulatory process that is failing to achieve its stated aims*".

The accusation comes after Storm Amy, which caused network disruptions in early October, shed light on a longstanding operator complaint: that Eir is not delivering on service level agreements (SLA) that define levels of third-party access to its infra.

The problems, ALTO said, extend across Physical Infrastructure Access (ducts and poles), Wholesale Local Access (fibre), and Wholesale Dedicated Capacity (leased line) products. Eir is subject to regulatory access obligations for all three.

> "*In all cases, while ComReg's decisions place obligations on Eir to provide 'fit for purpose' SLAs that encourage an efficient level of performance it leaves the matter of negotiating those SLAs to the market. ComReg must now recognise that this is a regulatory approach that has simply not worked and that it has failed to deliver an SLA environment that is achieving an efficient level of performance.* " — ALTO.

The trade body goes on to accuse Eir of abusing its market power, and ComReg of delivering resolutions that amount to "*little more than pyrrhic victories*".

ALTO's members are BT Ireland, Colt, Enet (a subsidiary of Speed Fibre), Siro (Vodafone Ireland's wholesale fibre joint venture with the Electricity Supply Board), Sky, Three, Vodafone Ireland, and Verizon.

ALTO ultimatum

ALTO has called on ComReg to commission an independent review into the current SLAs offered by Eir to determine whether they are fit for purpose, defined by the provision of an "*efficient level of performance*" and compensation for 'access seekers' if obligations are missed.

The organisation noted that its members regard extenuating circumstances that meant SLAs do not apply, such as during storms, to be "*excessively lax... in Eir's favour*".

The report, ALTO said, would give an indication as to whether ComReg should "*intervene in the market*".

While most ALTO members opted not to comment, Cormac Ryan, Chief Commercial Officer at Enet, said the existing SLA framework is "*no longer fit for purpose*".

> "*The imbalance in how SLAs are structured and enforced has, for too long, limited the ability of operators to deliver the level of service customers expect for provisioning and fault repair... There is a clear need for tighter, enforceable SLA standards that reflect international best practice and ensure accountability from dominant market players. This is critical to safeguarding network resilience, fair competition, and Ireland's reputation as a digitally connected economy.* " — Ryan.

An Eir spokesperson has told the *Irish Independent* that the operator "*rejects any suggestion*" that it does not operate to the "*highest levels of compliance and standards*".

Image: BT

ELSEWHERE IN BUSINESS

SWAN comes in to land

- **More than 4,000 sites have now transitioned to the new Scotland Wide Area Network** (SWAN), part of a six-year, £350m contract awarded to BT Business by the Scottish government in 2023. It means 2,000 sites have migrated since late-2024. Hayden Edwards, Director of SWAN Framework at BT, said the milestone means BT and the SWAN team are now in the "*final furlongs to get the project completed*" (*BTwatch*, #345 and #361).

- **BT has extended its relationship with cloud comms platform provider Infobip** to deliver "*AI-powered*" communication services to multinational businesses. BT International will leverage the Infobip platform together with its *Global Voice* proposition to provide "*seamless, secure, and scalable customer engagement across channels*", Infobip said. Infobip has also been named an authorised reseller of BT's *International Contact Global* suite, which includes toll-free numbers and inbound voice services. The pair first partnered in 2021 when Infobip supported BT's Rich Communications Services (RCS) Business Messaging launch. By 2022, Infobip was highlighting its engagement with the erstwhile BT Enterprise on RCS, SMS, *Messenger*, and *WhatsApp* messaging solutions, targeting customers in the finance, logistics, and public sectors.

Openreach

Image: Justin Lim / Unsplash

STRATEGY

Openreach copper-to-fibre discounting raises altnet ire

- Openreach's incoming discount package incentivises CPs to switch copper customers to FTTP lines, pushing fibre prices down to legacy tech levels.
- nexfibre execs call for Ofcom to look into the move, calling it a dangerous precedent if the incumbent is permitted to offer prices so low.
- Discounts debate raised at a handful of *Connected Britain* sessions, with voices from CityFibre, AllPoints, VodafoneThree, and Ofcom also heard.

As Ofcom deliberates the next five years of telecoms regulation, Openreach has quietly slipped out hefty discounts that seek to encourage communication providers using its network to migrate customers from copper to fibre. The limited-time deal has attracted criticism from Openreach rivals and provoked a strongly-worded response from one challenger in particular.

Leaders at nexfibre, the Virgin Media O2-affiliated fibreco, led a chorus of complaints at *Connected Britain 2025*. Both Rajiv Datta, Chief Executive, and Giles Rowbotham, General Counsel and Chief Development Officer, offered what they called "*free promotion*" of Openreach's discounting practice in order to question its fairness.

Rowbotham described the deal as a 25% discount on *Equinox 2* terms and a 45% discount to full list price for ISPs that migrate customers on copper networks to full-fibre alternatives.

> *"It's an enormously aggressive offer, and it's basically saying to ISPs 'we're giving you a window where you can make a huge saving if you drive your copper base onto fibre'. "* — Rowbotham.

Datta warned that deals like this, offered by an incumbent that regulator Ofcom considers has 'significant market power' (SMP), risks "*going back to the same position that we started off*" — or, as Rowbotham put it, enabling Openreach to "*shut down its copper and move that dominant position into fibre*".

Picking up good migrations

Openreach informed communication providers in September of the deal, which will run from **10 October 2025 to 9 April 2026** — notably ending at around the time that the new regulatory framework, *Telecoms Access Review* (TAR), comes into force.

In essence, Openreach aims to incentivise migrations to fibre, with special discounts for CPs that sell fibre to customers on copper lines before April. Specifically, it entails a nationwide rental offer for **FTTP proactive upgrades** to the 1000Mbps downlink/115Mbps downlink, 550Mbps/75Mbps, and 330Mbps/50Mbps bandwidth tiers for the rental price of an 80Mbps/20Mbps line. The discounted price will last for two years from activation. Openreach also plans to bring in a £0 FTTP 'upgrade journey' offer for migrations from "*certain*" PSTN-based copper services facing retirement.

ISPreview reports that a "*number*" of altnets, including CityFibre, consider the discount **anti-competitive**, and industry association INCA is understood to have raised concerns with Ofcom directly. Ofcom has since dismissed the complaint.

In a *Connected Britain* keynote, new **CityFibre** CEO Simon Holden alluded to the practice. "*Scale must serve competition*", he said, "*not suppress it*". He referenced incumbent advantages of "*existing customer relationship, legacy infrastructure, brand, and commercial influence*" as casting a long shadow. Speaking on wider regulatory feeling ahead of the TAR, Holden said: "*If left unchecked, progress [on building competition] will soon slip backwards, and BT will reassert the dominance it had in the copper market over our full fibre future*".

The event also saw some apparent support, or at least indifference, to the discounting among altnets. Dana Tobak, **Hyperoptic** CEO, noted that fibre being priced "*lower than copper*" is indicative of a regulatory framework that is working. "*There's incentive basically for the larger providers on the Openreach network to get everyone onto fibre*", she said.

Openreach: all publicity is good publicity

The controversial discount reared its head during two panels featuring the incumbent, one where Mark Shurmer, Managing Director of Regulatory Affairs, defended the Openreach position, and the other where Katie Milligan, Deputy CEO, stated her case.

Both thanked nexfibre for the publicity, and half-jokingly took the opportunity to encourage any interested audience members to head to the Openreach stand for more details on how to take advantage.

Addressing the complaints directly, Shurmer was dismissive. "*Isn't it a shock that our competitors are saying what they'd really like is for us to have higher prices?*", he said.

Milligan, meanwhile, placed the discounting in its wider market context. *Connected Britain 2025* is the final iteration before the TAR is brought into force in April 2026, setting the regulatory framework for the next five years. A primary focus for discussion on several panels was the definition of areas in which the regulator considers there to be 'established' competition to the Openreach incumbency. The access provider contends that there are several areas where that might be true, and therefore require deregulation, while fibre altnets generally argue the opposite, that sustained regulation is required to ensure a competitive market environment.

With a view that Openreach faces substantial competition, at least in select regions, Milligan argued that the incumbent has been forced to introduce new, more attractive pricing.

> "*We're having to respond, right. We are just like anyone else having to respond to competition, and we will continue to do so within the bounds of doing it fairly and equivalently.*" — Milligan.

She went on to question the motivations behind the complaints.

> "*How do we focus for the next year not just about fighting each other, but doing the right thing for the country? We now need to focus on getting customers on these networks.*" — Milligan.

nexfibre, CityFibre call foul as the Openreach machine maintains pace...

The deputy CEO's reference of Openreach as "*just like anyone else*" raised the ire of nexfibre's Datta, who described the claim "*amazing*".

BT Group CEO Allison Kirkby had earlier announced that the Openreach full fibre network had passed its 20 millionth premises, and had ticked up to a market-leading 38% take-up rate (*see separate*). Datta was provoked into questioning the force behind these numbers, which put rival fibrecos (including nexfibre) to shame.

> "*The concept of significant market power should be well understood, right? Fundamentally, if BT/Openreach is building [fibre to] one million homes a quarter and is achieving 38% penetration, I'm not sure that's based on some groundswell of full fibre need that BT is seeing and nobody else is seeing at that pace. It comes from that significant market power exercised by virtue of [wholesale pricing package] Equinox 2, and the fact that there's strong commercial incentives for ISPs to order fibre as opposed to copper.* " — Datta.

Briefly coming off the TAR script, which has for nexfibre been that Openreach must remain under Ofcom regulation to ensure competitors have a fighting chance, the nexfibre boss conceded that Openreach is being forced into a "*reaction to what's happening with the line losses, etc.*".

> Openreach has reported substantial broadband line losses for a few years, and in the current fiscal year (to end-March 2026) they are **anticipated to reach 900,000** (*BTwatch*, #367).

Rowbotham questioned whether the discounting "*goes against the* [*Ofcom*] *policy objective of creating competition*". He said Openreach's behaviour "*should concern us*", and called the regulator into action.

Addressing Openreach's Shurmer directly, Rowbotham went on to accuse the incumbent of setting unsustainably low pricing, thus exploiting its dominance.

> "*My issue is that what you're doing with these special offers is such a deep discounting that it is at price points which are not sustainable. If you were to tell me that you would set your entire rate card for the next ten years over that pricing, I would be very interested. But you're doing it in a selective manner, in a way which competition are going to find it very, very hard to beat on an economic basis. And that is why it's problematic.* " — Rowbotham.

… but there's two sides to the coin

The debate comes as Ofcom deliberates on the TAR outcomes, with confirmation of terms set to be laid out in early 2026.

"*Ofcom supports copper retirement*", said Ben Harries, Director of Competition Policy at Ofcom. "*Openreach should not have to incur the costs of running two networks for longer than necessary*".

He said Ofcom intends to enable Openreach to gradually decommission its legacy networks by deregulating copper "*area by area*", giving the access provider "*levers to encourage migration*" where it's fibre network has reached. So far, this has seen copper stop-sell orders issued in some postcodes. Next, Openreach will be given the flexibility to increase the price of its legacy copper services to promote migration. Then, as a third step "*that sort of sits there in the distance*", is the question of when Openreach should be permitted to stop maintaining its copper connections. "*It's something that we're thinking about*", Harries said.

With Openreach ostensibly barred from increasing its existing copper prices for now, it has instead opted to reduce that of fibre.

Robert Burles, Director of Regulatory Policy at AllPoints Fibre Networks, argued that if Openreach is permitted to 'force' migrations through adjusted pricing, an opportunity may emerge for altnets. He said there is a benefit to being "*more bullish about moving people over quicker*".

> "*The point at which you're forcing people, effectively, perhaps through copper prices, from Openreach copper to Openreach fibre, is actually a massive opportunity for the altnet community to get in and win market share at that moment. So I think it should be viewed as an opportunity rather than a threat.*" — Burles.

He went on to call for "*more ambition about moving from copper-based networks to fibre*", but raised similar concerns to that of nexfibre that Ofcom must be careful not to enable Openreach to carry across its copper dominance to the fibre market.

Colin Scott, Senior Regulatory Economist at VodafoneThree (a customer of Openreach and a handful of altnets), sat on the fence somewhat. He opined that the migration discount is a route to greater fibre adoption, and could be seen as "*part of the normal commercial proposition approach*", but there must be "*safeguards*".

CityFibre's Director of Regulatory Affairs Alex Blowers called for a more structured process to be put in place. He said that the way the copper switch-off process is being undertaken presents Openreach with a "*huge structural advantage*". As the owner of the legacy tech, Openreach can "*determine the pace, the locations, the conditions around which customers are migrating from copper to fibre*", he opined.

> "*There's no mechanism, there's no regulatory process, that makes those [copper] customers available to all of us as fibre builders in a kind of neutral, everybody starting from the same sort of baseline, perspective.* " — Blowers.

Image: Openreach

NETWORKS

Openreach expands role as Project Gigabit contract sweeper-upper

- Openreach picks up *Project Gigabit* premises in Mid West Shropshire that were previously set to receive coverage from UK altnet Voneus.
- The move sees the UK fibre incumbent continue to take on terminated contracts through *Project Gigabit*.
- CityFibre, Quickline, Wildanet, and Gigaclear deals changed, but Openreach is the biggest gainer with a summer shift in the value of its sweep-up framework agreement to £1.2bn from £800m.
- As goalposts continue to move, GoFibre is the first altnet to declare a result, with its subsidised build in Northumberland wrapped up.

Openreach has secured a contract through the UK government's £5bn *Project Gigabit* fibre rollout scheme that previously belonged to altnet Voneus, seeing the incumbent continue to hoover up deals from which other providers have withdrawn.

Building Digital UK (BDUK), the organisation overseeing *Project Gigabit*, said it has agreed to amend Openreach's existing *Call-Off 3* contract — focused on other terminated deals nearby — to include certain premises within Mid West Shropshire.

In April 2024, Voneus took on the £12m contract to cover 6,000 premises in the area, but the altnet agreed with BDUK to terminate the contract in December.

The agency did not specify whether Openreach will cover all of the premises included in Voneus' original contract.

Openreach is already set to deploy fibre to premises in Shropshire through the *Call-Off 3* deal, which includes the east and south of the county plus North Herefordshire, North Wales, and South West Wales.

> Through *Project Gigabit*, the UK government is subsidising fibre rollout to help infra builders connect premises in hard-to-reach areas. Alongside commercial rollout, it is aiming to achieve ***Gigabit*** **coverage for 99% of households** in the UK by 2032.

Another Call-Off win for Openreach

The decision sees Openreach pick up more premises from deals that BDUK has terminated with altnets through *Call-Off* tenders.

When BDUK mutually agrees with altnets to cancel contracts, it makes the affected premises available to other providers as part of separate, bundled tenders, with Openreach being the only beneficiary thus far.

Providers that have pulled back from *Project Gigabit* deals that were finalised (or close to being) include Fibrus, Freedom Fibre, and FullFibre.

The incumbent has already picked up a portion of the homes initially included in projects located in North East England and Worcestershire through these wider *Call-Off* deals.

> While Openreach is the only beneficiary thus far, Andy Nash, Sales Director for Business, Government & Mobile at **CityFibre** (the UK's largest altnet and *Project Gigabit*'s second largest supplier), has previously said the fibreco will consider stepping in if certain contracts hit stumbling blocks.

Table 4 Openreach's Project Gigabit contract awards, October 2025

Contract	Subsidised premises	Value of subsidy	Date initially awarded
Essex and North East England (Call-Off 5)	24,000	£61m	January 2025
East, South, and Mid West Shropshire, North Herefordshire, North Wales, and South West Wales (Call-Off 3)	52,000	£119.3m	January 2025
Lancashire, North Wiltshire and South Gloucestershire, West and Mid-Surrey Staffordshire, West Berkshire, Hertfordshire (Call-Off 1)	54,300	£149.7m	August 2024
Mid Devon, North Somerset, and South Devon (Call-Off 4)	37,000	£77m	January 2025
Scotland (Call-Off 6)	65,000	£157m	May 2025
West and North Devon, and North West, Mid, and South East Wales (Call-Off 2)	42,200	£139.1m	August 2024
Worcestershire (Call-Off 7)	22,000	£41m	January 2025
Total	**296,500**	**£744.1m**	—

Source: BDUK.

Extra millions flow as Project Gigabit contracts updated

The news followed a summer reset of *Project Gigabit* contracts, with the value and scope of several reassessed by BDUK. Openreach was the biggest gainer, with its framework agreement increased from £800m to £1.2bn.

Little detail was provided about the change beyond an indication of a broadened scope and need for additional works. However, when the original framework was published it suggested up to 500,000 premises could come under its umbrella. Assuming the level of subsidy remains roughly the same, this would suggest up to 750,000 premises could fall under the framework deal.

Changes have also been implemented to several altnet contracts, although for some it has result in decline in contract value on a per-premises basis.

- Among the changes was a £4m boost to **CityFibre**'s contract covering parts of **Leicestershire and Warwickshire**. When work began on the Leicestershire rollout in late-2024, the number of homes to be passed had increased from an initially estimated 38,000 to 45,000, with the contract value increasing from around £71m to more than £77m (suggesting a lower approximate per premises passed rate of £1,710 compared to an initial rate nearer £1,870). At the end of September, CityFibre's total contract value linked to the Leicestershire-focused project was officially updated to £81.9m from £77.7m as a result of further modifications. There was no indication that any additional premises have been added as part of the latest change, with only a broad explanation for the change provided that alluded to the need for extra work and additional scope of the contract.

- Also in September, **Quickline Communications** saw the scope and value of its **West Yorkshire** *Project Gigabit* contract increase by £2.6m, from £60.9m to £63.5m. 2,741 premises have been added to the rollout, taking the total to 30,857. Prior to the modifications, Quickline was set to receive £2,166 pre premises passed, but the rate has now dropped to £2,057.

- Meanwhile, **Wildanet** has seen more modest amendments to its two contracts in Cornwall. The southwestern altnet saw the value of its **Central Cornwall** contract increase in from £18.5m to £18.9m as the perimeters of the deal changed to increase from 9,128 premises to 9,718. While the reach increased, the level of subsidy per premises passed declined from around £2,027 to roughly £1,945.

- Conversely, the value of **Wildanet**'s *Project Gigabit* contract to provide fibre access to premises in **Cornwall and the Isles of Scilly** was trimmed back, but the per premises subsidy is set to increase. The total value of the deal was reduced from £41.2m to £40.3m as 807 premises were removed from the expected total deployment. While a precise numbers of homes to be passed was not provided, based on earlier estimates the subsidy per premised passed is set to increase by around £50 to £2,500.

- Earlier in the summer, **Gigaclear** saw the value of its **Gloucestershire** contract sharply drop from £16.7m to £10.8m as a result of updates that reduced the scope of the rollout by 899 premises to 3,547. The change saw the anticipated subsidy per premises passed fall from £3,750 to £3,050.

Fast finishes and slow starts

While many contracts are still seeing tweaks to their terms, others have seen **altnets charging on** with build.

GoFibre has been identified as the first operator to officially complete rollout under a *Project Gigabit* contract. The government-backed rollout to 3,800 premises in Northumberland was completed four months ahead of schedule.

Meanwhile, in the South East, **councillors on Kent County Council have written a "*strongly worded*" letter** to the government's Department for Science, Innovation & Technology (DSIT) about an apparent lack of progress on the local *Project Gigabit* project, signed with CityFibre in January 2024. DSIT maintained that progress is underway, and that the contract has been expanded to cover additional premises, while also noting that 82% of the country already has access to gigabit services.

Image: Freepik

INNOVATION

Openreach taps VR startup for 3D fibre planning

- Openreach adds another weapon to its fibre building arsenal: VR mapping to speed up the cable routing process.
- HoloPlan, developed by Scottish startup Digitalnauts, achieves small-scale success in London and now preps for wider UK rollout.

Openreach has partnered Scottish startup Digitalnauts to speed up its network rollout and maintenance, cutting costs along the way.

The Glasgow-based immersive tech studio has developed and deployed *HoloPlan*, which uses LiDAR to enable standard smartphones to act as a 3D scanner. In a limited trial, Openreach engineers have used the setup to build virtual reality (VR) models of sites and map cable routes and equipment.

Speaking to *TelcoTitans BTwatch*, Digitalnauts and *HoloPlan* Managing Director Mark Baxter explained the benefits of the platform for fibre builders and infra asset managers.

> *"The challenge for telecoms has always been scale and speed. Fibre rollout depends on accurate surveys, clear approvals, and traceable evidence. HoloPlan gives Openreach engineers the ability to scan a building with just a smartphone, produce a precise 3D model in minutes, and plan fibre routes directly inside it. That halves planning time, doubles the number of surveys completed in a day, and has cut approval cycles from weeks to hours."* — Baxter.

Openreach has claimed that deployment of *HoloPlan* has doubled the efficiency of engineer surveys, and cut costs by up to 65%.

Andy Whale, Openreach Chief Engineer, described the VR modelling tool as an example of "*an engineering marvel*".

> *“In cities, the challenge isn’t distance, it’s density. Apartment blocks and flats traditionally require multiple site visits, manual measurements, and lots of paperwork. Enter HoloPlan. ”* — Whale.

Moving beyond the capital

Baxter said a London pilot of the platform showed “*strong results, and we’re now looking at nationwide rollout across the UK*”.

The project does not stop with Openreach, however.

> *“Beyond this, our focus is on supporting the wider telecoms sector, helping both Openreach and the Industry as a whole, hit government fibre targets faster and at lower cost. HoloPlan is designed to be scalable, interoperable with existing systems, and ready to become standard practice across the industry. ”* — Baxter.

Baxter went on to emphasise the benefits for councils and landlords. “*Instead of a 100-page PDF, they see a single 3D model that shows exactly what’s being installed and where. Approvals are now collaborative, done in real time online*”, he said.

Digitalnauts has separately worked with Openreach on a handful of VR experiences, largely focused on training support including a virtual meeting space and a *Cable Chamber VR* simulation.

Image: Openreach

ELSEWHERE IN OPENREACH

Milligan reluctant to call time on losses

- Openreach Deputy CEO **Katie Milligan has said it is "*too early to call*" when customer losses will be stemmed**. *The Times* reports that Milligan considers some of the losses to be the effect of the cost-of-living crisis, lack of new housebuilding, and unpredictable market growth. "*Until the market really stabilises and we know what the market growth or contraction is we're not going to call it*", she said. Openreach expects to record broadband line losses of around 900,000 in the year to 31 March 2026, having lost 827,000 in the prior FY (*BTwatch*, #367).

- **Openreach has made a new self-provide network adjustment service option available to its Physical Infrastructure Access (PIA) customers**, focused on underground assets, as reported by *ISPreview*. The development is part of ongoing efforts to enable communications providers to undertake more repairs or adjustments to network infrastructure without requiring Openreach intervention. In its recent review for the year ending 31 March 2025, Ofcom's Openreach Monitoring Unit noted that altnets are relying more heavily on self-provision, with Openreach increasingly only called upon for more complex problems.

- **Openreach has contracted electric vehicle charging specialist myenergi** to supply thousands of *zappi* chargers to engineers. The deal forms part of Openreach's effort to migrate to a low- or zero-emissions fleet by 2031. OVO Energy will install the kit at engineers' homes. Openreach said it is investing £3m in charging infrastructure to help remove what it called "*one of the biggest practical barriers to EV adoption*". It currently has 5,000 electric vans and 2,500 home chargers, and plans to add another 2,000 EVs to the fleet by the end of March 2026.

BTwatch releases twelve monthly reports per year, with double issues typically in January/February and August/September each counting as two reports.

telcotitans.com • commercial.telcotitans.com • +442071830111 • info@telcotitans.com
Market Mettle Limited, Old Stable East, Hill Farm, Steventon, Abingdon OX13 6SW, Oxfordshire, United Kingdom

Editor Joseph Purnell • **Senior Analyst** Neal Doran • **Contributors** Anne Morris Cameron Page
Senior Editor Richard Agnew • **Executive Analyst** Alex Birkhead • **Production** Tom Fryer • **Digital** Elliott Afentakis • **Head of Custom** Matt Leary
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