



Office of the Director of
**Telecommunications
Regulation**

MEDIA RELEASE

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Telecoms Market Sustained Despite Tough Economic Conditions

CPS Subscribers Increase

The ODTR today published its 3rd Quarterly Report for 2002, which shows progress in the telecommunications market in Ireland despite tough economic conditions. **A net 6% increase in the number of CPS lines** has been reported since the last quarter representing movements to and from the incumbent and among other CPS (Carrier PreSelection) operators. This is evidence of competitive activity within the market. Total revenues for fixed, mobile and broadcasting markets now stands at an estimated €3.37 billion per annum an increase of 5% last quarter mainly accounted for by once-off items. The overall growth has been fairly stable over the past couple of quarters, with total revenues increasing by 8% since June 2001.

The ODTR's quarterly report has also confirmed the continued high-level increase in SMS messaging in the 2nd quarter 2002. The average number of text messages now sent per month per subscriber is 63. This is a 74% increase in the last 12 months.

Postal Services Survey

The ODTR released the results of a survey relating to the Postal Services based on separate questionnaires for business and residential consumers. The survey recorded satisfaction levels with a range of postal services with few business respondents experienced any deterioration in the past twelve months. With 70% registering their approval, there appears to be overall satisfaction among business users with An Post's new uniform tariff for standard sized envelopes.

On the residential side, 84% of consumers expressed satisfaction with the regularity of the delivery service of their mail. Seven in ten respondents indicated that they either sometimes or always read direct mail indicating that direct mail may be a useful tool for businesses to target households. Two in five respondents send less personal mail today than five years ago, preferring to use telephone, internet and email instead. Irish households receive an overall average of 14 items of mail per week.

Additional Extracts from the **ODTR's** Quarterly Report:

- Fixed line revenue has increased by approximately 4% since last quarter which is mainly attributable to an increase in the incumbent's revenue. The increase in this quarter reflects a one-off revenue in non-core communications activity.
- Approximately 2.97 mobile subscribers in Ireland with market share as follows. Meteor at 4% a 1% increase; O2 at 39% a 1% decrease and Vodafone remains the same at 57%.
- In the mobile sector, Average Revenue Per Users is still amongst the highest in Europe although it has decreased by \$1 since last year.
- Approximately 7% of cable/MMDS subscribers have upgraded to digital an increase of 2% since last quarter.
- 245,000 households now subscribe to digital services an increase of 6% since last quarter.
- According to Nielsen net ratings, 1/3 of the population have home access to the internet. While residential usage has remained stable, we note the new fixed subscription based offering from UTV which we hope will stimulate increased internet usage.
- 1,200 DSL Connections have been provided to-date.

ENDS

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