



MEDIA RELEASE

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Adam Internet wins ACCC support in access battle with Telstra

Following a three-year access dispute with Telstra, leading South Australian Internet Service Provider (ISP), Adam Internet, has received a favourable final determination from the Australian Competition and Consumer Commission (ACCC) in relation to the pricing of Telstra's Line Sharing Service (LSS).

However, despite winning the support of the nation's competition regulator, Adam Internet now faces a further battle in the Federal Court of Australia, after Telstra lodged notice of its intent to appeal the ACCC ruling.

The subject of legal argument since 2005, the new LSS prices applied by the ACCC will level the playing field within the ISP market and enable Adam Internet to compete fairly with Telstra.

Adam Internet Chairman, Greg Hicks, confirmed the company would immediately pass on savings to its customers, decreasing initial set up fees on new ADSL accounts by up to \$50. He said the ACCC determination would also assist Adam Internet in freeing up funds for investment in enhanced customer care and additional network infrastructure.

The developments planned by Adam Internet include the installation of more AdamDirect exchanges and the release of new products such as video content, enhanced Voice Over Internet Protocol (VoIP) services, and mobile broadband packages.

These enhancements will follow on from Adam Internet's recent \$1.5 million customer service upgrade, which saw the roll-out of a new high-tech telephone system, large-scale fit-out of the company's call centre, purchase of an additional floor of central Adelaide office space, creation of a dedicated sales area, and establishment of a new residential sales team.

"Telstra has resisted our access disputes vigorously, and the legal costs to proceed have been enormous, but we always believed this battle was worthwhile," said Mr Hicks.

"The shackles are now off, and after three years of extraordinary effort, planning and expense, we can now press ahead with Adam Internet's continued offering of fast, reliable and cost effective broadband products to the SA market.

"The ACCC's final determination supports competition in the ISP industry, which everyone will benefit from. As a result of this decision, the marketplace will receive fairer wholesale pricing, which cannot be manipulated by the most dominant service provider in the nation.

"However, Telstra's plan to appeal the determination, although not unexpected, means there are still battles to be fought."

Adam Internet was recently acknowledged as the fastest growing information technology and communications company in SA.

**About LSS**

The LSS allows a carrier to provide additional telecommunications services over a single metallic pair or line. The higher frequency part of the line is used by carriers such as Adam Internet to supply broadband ADSL services, while the lower frequency supplies a PSTN voice service over the same line.

Further media information:

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