

## Regional focus on the South West

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Cornwall, Devon and Somerset are among the idyllic counties that make up the South West of the UK. The South West is an area that lives and dies by the tourist, with its prime industries focusing on maintaining and promoting that area. It was once strong in manufacturing, but that industry has died out and moved to the North of the UK, or to China. Instead, the South West has been left with a plethora of small and medium sized companies to take the place of the giants.

These smaller companies are concentrated on the lifestyle business, although thanks to projects like Cornwall's European Union Objective One funding, many businesses, including the MET office international headquarters, have relocated to the area to get the quality of life they believe their employees require and the cheaper overheads associated with the area.

Peter Mosely, managing director at the largest reseller based in the South West, Datasharp, says: "The South West consists mainly of leisure, retail, contact call centres, professionals such as lawyers and accountants, and now technology companies are also coming down, because people can be flexible in terms of doing business because of voice and data."

City areas are booming, with Exeter investing heavily in commercial redevelopment and Plymouth determined to get a rating as one of the top 10 international waterside cities and to become a technology centre of excellence. All of that is possible on the back of the latest communications technologies, which the region's resellers are pushing.

However, Jonathan Sawyer, managing director at Taurus Telecom, adds: "There are more lifestyle businesses down here than anywhere else. Businesses tend to get to a certain level and then pull out of the fast track to stay comfortable. But it is as competitive here as anywhere else in the country."

Sawyer adds: "The main drive down here is tourism, agriculture and fisheries, and the Ministry of Defence. The area's been through the wringer on agriculture, with BSE and then foot and mouth, but that's started to make a come back now. We mirror the rest of the country but with a little delay, so if there's good times, it takes a while to get to us, and the same with bad times."

Many of the larger resellers in the South West are national or international firms. However, there are a large handful of smaller resellers that treat the area as their primary customer base, who do well selling legacy and the latest comms technologies.

Customer desire for IP is low, Ian Watts, sales manager at Open Telecom, says. There is no need for it in much of the rural South West, he comments: "A need for IP in the South West? Not at all! the quality's rubbish! We don't do voice over IP. That's another one of those nasty Chinese products. Quality is key to all our products and if a product doesn't have it, it won't attract the people interested in true communications. Customers have left us for IP, and they have come back to us saying IP is rubbish."

However, Peter Bawden, managing director at Western Telecom, comments: "I would disagree with that view on IP totally. Customers don't need IP because they don't know about it. All the systems we sell are IP enabled. It is not a blanket 'People aren't interested in IP' view here in the South West. An IP is very much about quality of service, although it hasn't been in the past. South West companies are as advanced as any in the UK, and are very big on IP. Applying that technology to a particular business is key though; companies have different requirements."

On the whole, the South West currently uses less IP than other areas, Mosely explains: "We have mainly small and medium sized customers here, but we have local education authorities and government bodies too. The average solution requirement is basic, with low tech users. But the majority of business we do here now is converting analog to ISDN.

"Cornwall was probably the last place in the UK to have its exchanges updated from analog to digital, but the area is catching up on trends now," Mosely states. "Things like CTI, convergence and IP-enabled were all buzz words, but they're now giving small and medium sized companies the flexibility and therefore the opportunities they need to drive down costs. People are taking flexibility and connectivity seriously here; they want IP, broadband and remote workers."

IP has been slower on the uptake in the South West than in other areas of the country, but that is purely an infrastructure issue, Sawyer agrees: "What's making life a lot easier for businesses is technology, especially broadband. It's making the geography less of a problem. The only thing that's been holding customers back from IP has been the inability of certain companies to deliver broadband. There is demand for IP here; although there are lots of smaller businesses, they are multiple branch offices, so need voice over IP."

The main challenge that faces resellers in the South West is employment. Finding the right people for the job is difficult, due to the geographic location of the area, which is suspended out on the toe of the country, far from major cities and industrial areas.

Watts comments: "Skills are our key problem. Geographically, Cornwall is a barrier. If you only take who's on your doorstep, you can get stuck with an ineffective workforce. Local colleges don't necessarily give people the right skills you need. Our company is growing fast, and it's difficult to find people."

Bawden adds that distance can be a limiting factor when doing business in the South West: "You can only go one way from here, and that's up the road to England. We don't have a nice big area to deal with near us, so distance is a challenge for us." He continues: "There is a perception that we're stuck out on a limb here, but we're not. We get congested in summer, but apart from that the South West is a great place to work. You get quality of life around here."

Yet the South West is becoming less remote, as the improved services at Newquay airport brings London and the Midlands into easy and fast reach for resellers and their clients. Watts states: "The airport is now assisting us massively. We can get to Manchester or wherever we need to be, quickly. It's only a 20 minute flight to Bristol. This is something we really need to support; it's vital to working in Cornwall."

Bawden sums up what appears to be the major pulling factor for doing business from the South West: "This is a great place to live. I can see the sea right now and I can drive there in 10 minutes if I want. Communications makes life very easy. Only thinking about the phone, by taking on it I can be based anywhere. That's the wonderful thing about technology. It means it really doesn't matter what your location is."