



Interview with Redmond Peel

CEO & Founder of Airband

by Melissa Cogavin, Managing Editor, SCTE

Welcome investment in the alt-net landscape is seeing scaled-up rural broadband provision for the first time.



The alt-net market has boomed in recent times thanks to a variety of factors; socio-economic shifts, successful government lobbying for funding and most recently, significant investment by institutional investors. An increasing number of agile start-ups have seized an opportunity to capitalise on the slow uptake of regional development, areas historically bypassed by network operators as being too costly and time-consuming. Too much effort for too little reward. The more financially viable, low-hanging fruit was readily available in higher density, urban and suburban areas, leading to a major disparity between rural and urban supply of broadband over the last decade. This has been well documented and there are fortunately clear signs that's changing.

All of the above means that households all over the country are experiencing ultra-fast broadband for the first time, but this is not the time for complacency. There is still a lot to do.

As disruptors go, Covid-19 has thrown us the biggest curveball any of us will see in our lifetimes. Happily, the broadband industry has emerged as one of the clear winners in this crisis, along with hand sanitizer companies, Amazon and Netflix. For those of us enjoying fast broadband in cities and towns, the idea of enduring an interminable period of lockdown (especially with children home-schooling) without a decent internet connection is almost inconceivable, yet for a depressingly large number of rural households around the UK, this is normal.

I talked to Redmond Peel, CEO and founder of Airband, about his experiences, his journey, and his desire to change that.



"My lightbulb moment was back when broadband first rolled out in the 2000s," Redmond explained over a Zoom call, outlining a situation where it was clear there was a great demand for broadband, but market forces suggested that that demand was going unanswered. Redmond clearly saw a big opportunity to step

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in and fill that gap. “My sense was: ‘everybody wants this, it’s clearly the future, the demand is there as a business and yet there is a slowdown in the roll out’.”

At this stage of course, the internet was nowhere near as sophisticated as it is now, nor were its users. There was a widespread lack of education, considering the impact the internet would later have on all our lives, but the education couldn’t keep up with the developments of the technology. Anyone working in an office from the 90s onward will have just learned their computer skills on the job, so it wasn’t even clear what could be improved and what we just had to live with at the time.

Redmond painted a frustrating picture of urban businesses, struggling with lack of knowledge, existing servers, IT costs and licencing, while in rural areas, obtaining IT support was impossible, making running a business in the countryside extremely difficult, broadening the gap between rural and urban experiences even further. On Airband’s own website, historical novelist Matthew Lewis wittily explained that before broadband reached his remote location in Shropshire, he was reduced to dealing with transactions for his cattery business in cash, such was the intermittent speed of his internet connection. “Forsooth, broadbande was slower thann ye olde snailes,” he complained at the time.

“Cloud technology gave rural areas the opportunity to compete with cities for the first time,” Redmond went on. All very well, but it’s one thing to have a lightbulb moment and another to actually put that idea into practice, I suggest. Most start-ups don’t even get that far. What came next?

“I had an opportunity while in South Africa – I set this business up first there. It was exactly the same situation, but it was an

easier territory to compete in. Then I brought it to the UK. The incumbent operator hadn’t changed their approach during that time so in 2009, we found those customers and built small networks. We didn’t have the money to roll out large networks, so we approached the customers first, one by one, who became our anchor tenants. A business park in one area, one town, and we built the network like that. Over time we joined those networks together.”

“In 2011 the Government said ok, we need to start funding this a bit more. In 2013 Building Digital UK, a Government body that now sits behind all broadband roll outs – started to have a strategy, looking at ways of incentivising to build.”

Redmond described the massive technical challenge Airband, and all alt-nets are facing, describing the green boxes that say Openreach in our towns have a cast iron ‘GPO’ imprint on them in the countryside, not having really been touched in 30 years. The existing copper network is functioning, but it’s furnishing the last mile with fibre that costs the money and takes the time. For larger companies, this simply doesn’t add up on a balance sheet to implement, no matter how many frustrated families there are out there.

Certainly, Government support is welcome, late to the party though it is, but it is now absolutely critical that the Government makes funding fibre broadband to rural areas a priority. Farms are already facing a tougher future now that the UK has left the EU, Redmond reminded me. “If we want to maintain rural areas now that we are out of Europe, we have no alternative but to support the modernisation of the rural landscape.”

The bulk of lobbying from companies like Airband was supported by community groups, local MPs and individuals between 2010-2015. The Cameron government at the time

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had its head turned by bigger headline-grabbers such as the Olympics, a royal wedding and HS2, while doubtless dealing with internal, Brexit-related turmoil leading to where we are now. Redmond said, “We felt such frustration at the time; it cost £75bn to implement HS2 and reduce client journeys, and only £500m for rural broadband.” As is so often the case in politics though, it’s all about the optics. “If you’d started with rural areas, the story just isn’t as good.”

COVID-19 has changed all that. Now we are working totally from home, some of us probably indefinitely even once the pandemic is behind us. Working habits will probably not go back to the way they were entirely, so high-speed broadband to every home in the country is more essential than ever.

Redmond went on, “Even now with the increased support we have from the government, it’s a fraction of the support given to maintaining polluting motorways and propping up train journeys. The Government has been historically slow in picking up the digital agenda; we are still decades behind Japan and South Korea.”

Looking to the future, Airband have an aggressive agenda. Supplying 500,000 homes over the next five years is largely down to a recent majority stake that institutional investor Aberdeen Standard Investments took to accelerate the roll out. “It’s really good news,” Redmond agreed. “The investment market has seen that infrastructure that delivers

quality broadband is a good investment.” It’s clearly a sign that the broadband market is maturing, and there is talk of consolidation over the coming years as the glut of alt-net providers continues to proliferate, leading to another round of investment presumably.

“We want to deliver to 500,000 homes over the next 5 years. We are the only company that are focusing at scale on such a high number of properties in very rural areas. We are rolling out in all the shires including a new initiative in Somerset and Devon.” At the time of writing, Airband announced another win – selected by Cheshire Council to roll out gigabit-capable, full-fibre broadband connectivity to over 4,000 properties across rural or hard-to-reach areas of Cheshire.

The piecemeal approach, while good news for Airband, is intriguing. Why isn’t there a blanket, nationwide roll out going on?

“We have a mixed approach. With rural broadband, no one size fits all, which is why larger companies struggle. In Devon, most of the current telecoms infrastructure is provided on electricity power poles; there might be one set of poles per village, and each pole will provide electricity, street lighting as well as phone line. All on one set of poles!”

Redmond went on to explain that in Warwickshire and Oxfordshire however, a large percentage of infrastructure is

underground in ducts, so Airband have to accommodate these as well. Then there is a bit of both in some places. "We offer different solutions. We go over ground, on poles, underground, we work with farmers to get their support, to get cables in their fields."

How has this been affected by the pandemic? Health & Safety is a massive issue, Redmond explained; their engineers were helpfully classified as critical workers at the start of the pandemic, but keeping them safe in domestic situations meant a lot of challenges. "We had to re-evaluate everything; processes, workflows and of course, providing PPE. We have managed to find a very safe way of working and none of our engineers have caught COVID in spite of the thousands of service calls." Redmond is clearly proud of this success rate.

As for the future, COVID has given us a glimpse of what we can expect regarding our internet consumption. "We are all likely to consume twice as much bandwidth – usage has gone up per customer 100%. It's been marvellous in all this to see an older demographic – whom we deal with a lot in rural areas - getting

to grips with technology for the first time in order to see families over Zoom calls. This connectivity has been absolutely critical to older people, so we have had to find a way to supply them with the bandwidth and the connection they have needed, regardless of the challenges."

Airband deserve every success; from spotting a gap in the market to scaling up so successfully, their commitment to deliver rural broadband in a time of crisis cannot be underestimated, and the impact of that connectivity will be felt for generations to come.



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