



SILK WELCOMES BRIGHT TO ITS WEB

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Eastern states optical fibre network operator Silk telecom has purchased Western Power's telecommunications arm, Bright Telecommunications.

The sale, which will be completed next week, aligns Bright with Silk's nationwide carrier business and ensures continuity for existing services and for Bright's customers and employees. The sale was finalised following the successful conclusion of a formal tendering process.

Silk has acquired Bright's fibre network in Perth, and its telecommunications services business supplying wholesale, corporate, business and residential customers.

Silk telecom emerged as an ideal bidder for the business because of its extensive optic fibre networks in metropolitan and regional areas throughout South Australia and Victoria and its experience in managing telecommunications networks leveraged off electricity infrastructure.

Silk telecom CEO Simon Perkins said the sale was a good result with strong synergies existing between the two businesses.

"The acquisition of Bright is a good fit with Silk's strategy to expand our existing regional networks with an entry into the West Australian market. Like Bright, our business was born in the electricity distribution sector so we have a natural affinity with the services that Bright is providing its customers," Mr Perkins said.

"Together, Silk and Bright will deliver integrated data services to homes and businesses and provide real competition in the mainstream telecommunications market.

"Competition is what the Australian telecommunications desperately needs to drive better service for customers and innovation within the industry, and this consolidation will foster more effective competition in Western Australia and in the eastern states" he said.

Bright customers will not notice any reduction in services through the sale and all employees of the business will retain their positions. Silk telecom will soon write to all of Bright's customers to explain the changes and to introduce the new owner's key personnel.

Silk telecom was formed from the commercial telecommunications businesses of ETSA Utilities in South Australia and Victoria's Powercor Australia in late 2005, and has developed rapidly as a stand alone telco.

Silk is owned by the Cheung Kong Group, a leading Hong Kong based multi-national conglomerate. The Group operates in 56 countries and employs about 230,000 people.

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