

## **Veridas fallout a boon for competitors**

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**In the fallout from the Veridas collapse, ISPs have been jumping ship in search for new Internet service wholesalers.**

**Veridas, which acts as a wholesaler to an estimated 90 ISPs and 30000 customers, ceased operation of its network last Wednesday. A posting on Whirlpool suggested the failure was a result of a bitter management rift that looks unlikely to be resolved.**

**The resultant fallout has proved a boon for competitor wholesalers who have since been inundated with new customers. ISPone was approached by so many Veridas customers that it had to turn them away to competitors, general manager, Zac Swindells said.**

**“It got to the point where we had to ask one of our competitors, Datafast, to take on the overflow of ISPs that wanted to migrate across,” he said.**

**Swindells said ISPone had taken on 2 new partners as a result of the Veridas collapse, resulting in 3000 additional customers.**

**The influx has even led to ISPs setting up new wholesale agreements to cater for the demand. Spin Internet Services has been urgently drafting the requisite legal and customer protocols to get customers up and running.**

**“We’ve had lots of ISPs approach us since the Veridas collapse and as a result we’ve turned into a wholesale company by default,” marketing manager, Bill McArthur said.**

**Although Spin was not a traditional wholesaler, the company decided to offer its services after several smaller Veridas customers were turned away by bigger players such as Telstra and AAPT.**

**“We’re very proud companies are coming to us even though we’re not a wholesaler,” McArthur said. “This will open new opportunities for us to go after new avenues of business.”**

**ISPone’s Swindells warned that unprepared wholesalers that jumped on desperate ISPs would meet the same fate as Veridas. “Wholesalers have to be realistic with the amount of customers they can actually take on board and sustain in the long run,” he said.**