



DCG becomes ispOne to focus on wholesale

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Melbourne ISP Data Consulting Group (DCG) has axed its retail operation Dinkum Internet and re-named itself ispOne to focus on its wholesale business.

Zac Swindells, managing director at ispOne, said DCG had always planned a stronger focus on wholesale.

Dinkum Internet had been mainly about exploring what was happening in the market and had effectively been dormant for about a year, he said.

Originally the wholesale arm, ispOne had about 40 retail ISPs on its books but the company was aiming to pick up more as competition intensified in the broadband market, Swindells said.

“We see there’s growth in the next 12 months of about 100 new vendors in the broadband market. It’s going to be very difficult for a lot of new players,” he said.

Smaller retail ISPs would find their choices limited, especially now Comindico had entered voluntary administration, Swindells said.

“This puts us on a very good playing field,” he said.

Dinkum Internet “never had” a huge client base. It had mainly served management and their friends and relatives. It had one major partner, AKA, that worked with about 100 dealers, Swindells said.

ispOne would focus on its Virtual ISP (VISIP) and radius proxy services in the next six months. VISIP enabled smaller retail ISPs to provide a full ISP service, outsourced to ispOne, he said.

“We look after the whole nine yards for them,” Swindells said. “All the client looks after is a level of support.”

Chris Monching, director of sales and marketing at ispOne, said the company basically deployed ISP infrastructure for the ISP.

“It allows them to access all the things that allow them to run as an ISP, including online provisioning, web-based billing [and so on],” he said.

Swindells said ispOne would begin offering a layer two interconnect model where the ISPs could buy the “DSL tails” that connected the copper from the end user to the router.

“Then they can segment that off and supply their own bandwidth,” he said.

In future, ispOne also planned to offer voice PSTN to its retail ISPs, a move that Swindells saw as potentially lifting their ability to compete with large bundlers such as Telstra and Optus.

“It’s a competitive market, and those providers that bundle are getting a lot of customers,” he said.

Despite all the buzz around VoIP, the fact was that PSTN had 99.999 percent availability whereas VoIP tended to only offer around 99.8 percent, Swindells said.

“People can handle it if the internet goes down for one or two hours. But if voice communication goes down for one minute, they’re not happy,” he said.

PSTN would offer “increased dollar value” to each ispOne client, he said.

ispOne would wait before jumping into VoIP. “We are waiting to see what the Australian Communications Authority (ACA) guidelines will be,” Swindells said.

ispOne -- which has around eight staff -- had been growing about 30 percent a month on revenues around \$1.2 million a year, Swindells said.

DCG was formed two years ago when the company’s founders bought Dinkum Internet.