Swisscom and Salt form fibre-optic partnership

For more than ten years, Swisscom has been building state-of-the-art "fibre-to-the-home" (FTTH) fibre-optic networks, in many places together with energy suppliers as part of fibre-optic cooperations based on the principle of open networks. Now Swisscom is continuing on its successful path of collaboration by entering into a fibre-optic partnership with Salt. Thanks to this partnership, investments are bundled together, existing network capacities are optimally exploited and the variety of services on offer is further expanded.

Swisscom is constantly modernising its network with the latest technologies, with the aim of providing top-quality digital services and thus securing Switzerland's locational advantage. The foundations were laid in 2008 with the first FTTH projects in Swiss cities, and since then Swisscom has invested a total of around CHF 4.4 billion in various fibre-optic technologies. With the current Swisscom network strategy, FTTH coverage will be expanded to around 60% by the end of 2025.

Fibre-optic partnership with Salt – a confirmation of collaboration models
Through a long-term fibre-optic partnership as part of Swisscom's Network Strategy 2025, Swisscom and Salt are confirming the successful collaboration model between industry players based on the principle of open networks. The collaboration is making an important contribution towards opening up Switzerland with state-of-the-art network technologies. Investments are bundled together and network capacities are optimally exploited. Society and the economy benefit from greater innovation and a wider variety of offers.

The partnership in detail
The fibre-optic partnership builds on an existing business relationship between the two companies: For several years, Salt has been using physical Layer 1 access to Swisscom optical fibres in the point-to-point architecture for its residential customer offerings. As part of the fibre-optic partnership, Salt is investing in a long-term right to use Swisscom's fibre-optic connections and thus is participating in the high network investments and the associated business risks. This means that the company now also has its own physical Layer 1 access in Swisscom's FTTH fibre-optic networks in the point-to-multipoint architecture, which Swisscom has been building since 2020 and will be

expanding by 2025, and on which Salt can offer and operate its own services. Swisscom continues to bear overall responsibility for network planning, network expansion and maintenance, and remains the owner of the infrastructure.

Open networks and access for competitors

Swisscom and Salt are free to work with other partners at any time. The fibre-optic partnership does not grant exclusivity to either party. Swisscom also offers every competitor non-discriminatory network access at attractive conditions – with the best available technology and performance. Therefore, providers without their own network also always have access to the maximum bandwidth available. Swisscom remains open to further collaborative projects – whether in the form of a fibre-optic partnership such as with Salt, FTTH cooperations at a local level or other forms of network access (wholesale).

Christoph Aeschlimann, CTIO of Swisscom, praises the move: "The fibre-optic partnership with Salt builds on a proven path that Swisscom has been following with collaborations and partnerships for over ten years. It proves that, regardless of the technology, solutions can be found enabling competitors to make optimal use of the Swisscom network. The bundling of investments ultimately benefits the whole of Switzerland, which is reflected in the excellent international broadband coverage."

Successful cooperation in fibre optic expansion since the beginning

Swisscom concluded its first cooperation agreements with energy suppliers in 2009, and by 2015 one million connections had already been jointly connected via FTTH. In the same year, Swisscom began rolling out innovative "fibre-to-the-street" (FTTS) technologies in all Swiss municipalities, which will continue until the end of 2021 – thus laying the foundations for later FTTH expansion.

Network strategy 2025 – significantly greater performance

Swisscom launched its Network Strategy 2025 at the beginning of 2020: FTTH network coverage is to be doubled by 2025 from the current level of one third to around two thirds of the population and around three million connections. By then, around 60% of all homes and offices will be able to use a bandwidth of up to 10 Gbit/s – rural regions and alternative providers in particular will benefit

from this expansion offensive. In addition, the company is continuing to upgrade the existing FTTS network which will provide an additional 30–40% of homes and offices with bandwidths of 300–500 Mbps by the end of 2025. As in previous years, Swisscom is continuously making high investments in its networks and IT – spending around CHF 1.6 billion in 2020 alone.

Glossary:

FTTH	Fibre to the home – fibre-optic cable is laid to the home or office.
FTTS	Fibre to the street – fibre-optic cables are laid up to the distribution point in the street (about 200 m from the building) and from there the signal is transferred to existing copper cables.
FTTH point-to-multipoint (P2MP)	In the point-to-multipoint architecture, several customers share one fibre-optic feeder cable between the exchange and the distribution point in the street. In the distribution point, the optical signal is split by a splitter into several fibres that lead to the customer connections.
Layer 3 access in P2MP networks	Competitors who only want to access individual customers are given virtual access (Layer 3) to them.
Layer 1 access in P2MP networks using the example of a fibre-optic partnership	Salt obtains a long-term right to use fibre-optic cables in the point-to-multipoint architecture from the Swisscom exchange (Layer 1) and thus gains access to all connected customers. Salt transfers the physical fibre-optic feeder cable to its own infrastructure, which will be installed at the Swisscom exchange.
FTTH point-to-point (P2P)	In the point-to-point architecture, each customer connection has its own continuous optical fibre through to the Swisscom exchange. Competitors can be given physical access to the optical fibre at the Swisscom exchange (Layer 1 access); the competitor transfers the physical optical fibre of an individual customer to its own infrastructure.

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