

**Press release****Next-generation fibre-optic network to be built in Lausanne**

**Lausanne Industrial Services (SiL) and Swisscom have agreed to jointly create a fibre-optic network in Lausanne running all the way to individual homes and businesses. Having already signed a declaration of intent in September 2009, the two partners have now concluded a firm cooperation agreement. This is the first FTTH (fibre to the home) cooperation agreement between Swisscom and a cable network operator. Within the framework of this agreement, the city of Lausanne will found a company to implement and manage this network. SiL will continue to provide Citycable services. The project as a whole still has to be ratified by the Lausanne city council.**

Lausanne Industrial Services (SiL) and Swisscom intend to connect all the buildings in Lausanne to a high-speed fibre-optic network by the end of 2017. Swisscom will carry out all the necessary work agreed under the partnership with the exception of the district of Chailly, which SiL has already connected as part of a pilot project that formed the basis of the agreement. The partnership covers only one part of the network: the "last mile" between local exchanges or distribution points and individual buildings, as well as interior cabling. Each partner will be separately responsible for connecting districts or distribution points with the telephone exchanges.

The city of Lausanne will create a wholly Lausanne-owned company which will become the proprietor of the new network. Within the framework of the partnership, 50% of the part of the network built by Swisscom will be transferred to this company within five years, that is, by the end of 2017. Eventually, Lausanne regional authority network will become - via its new company - the owner of the network built in partnership in the districts of Chailly, Ouchy, St-Francois and Vernand, while Swisscom will be the owner of the network in the districts of Bergières, Chalet-à-Gobet, Maladière and Sallaz. The partners grant each other indefeasible right of use (IRU) for a minimum period of 70 years of the fibre-optic cables in the districts in which they do not own the network.

The major elements of the partnership have been submitted to the Swiss Competition Commission (COMCO), which has not objected to them in principle.

This joint project will ensure that the inhabitants of Lausanne need not suffer unnecessary costs or inconvenience. Swisscom and SiL will each be responsible for half of the cost of the construction of the part of the network covered by the partnership. The houses and businesses in the Lausanne districts of Chailly and Praz-Séchaud that were already connected to the fibre-optic network during the pilot phase of the project will form an integral part of this cooperation.

Lausanne's participation is conditional on its city council's adoption of draft report 2012/27. A decision is expected by the end of the year.

#### **Four fibres per connection to encourage competition**

In accordance with the recommendations of the Swiss Federal Communications Commission (ComCom), the two partners will lay at least four fibre-optic cables to each house or business. The fibre-optic network will therefore enable customers to choose between the services of Swisscom, Citycable or other telecommunication providers who will also have access to the new network thanks to the four fibre-optic cables laid.

In Switzerland, one more home or business is connected to the fibre-optic network about every two minutes. In late March 2012, Swisscom and its partners began laying fibre-optic cabling right into the basements of some 388,000 houses and businesses. About 10% of all the buildings in Switzerland are already connected to the network. A million households - in other words, a third of the total - are set to be connected by the end of 2015.

Berne/Lausanne, 4 July 2012

*Draft report 2012/27 can be found online at [www.lausanne.ch](http://www.lausanne.ch)*