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Defying the downturn? Adam looks to 3G

Adelaide-based Adam Internet is set to expand into mobile data and voice resale as its fixed-lined business defies the downturn. After just completing what it describes as a "bumper quarter" Adam Internet has added 23 new staff members to its books including senior roles for a CFO and CTO – and plans for continued growth in 2009.

Managing director Scott Hicks told CommsDay the company is hoping to offer wireless data plans at the beginning of March. "That actually gives us internet around Australia, but it is certainly part of our strategic plan to keep the residential customer base here in Adelaide," he said.

While Adam will sell its own branded 3G services using the Optus network, Hicks hopes it will predominantly be an up-sell for existing on-net fixed users.

"We don't see it as a replacement for broadband, we actually don't see it as a comparable service. Where we see a big opportunity is we currently have about 75,000 customers in Adelaide on our own network... if you've got an ADSL service with Adam, for an extra X-dollars per month you get your USB dongle and you get internet wherever you want."

As a "stage two" in its mobile plans, Adam will become a mobile phone reseller in May. Hicks said it is part of a wider plan to turn the company into a "one-stop shop" for telecoms services.

The MD said Adam Internet had seen "astronomical growth" over past year, but still the company has no plans to move outside its South Australia base. Adam operates 35 DSLAMs throughout Adelaide, with over 90% of its customers on its own network. "We don't really see much point spreading ourselves thin in a market that we don't exist in when we're absolutely flat out trying to keep up with what we're doing here," he said.

Adam now has around 140 staff, having just appointed Jon Gerschwitz as CFO and Rob McKeon as CTO. New customers have been signing up at a rate of 1,800 a month against primary competitors Telstra, Optus and Internode. "Fortunately, our sector is one of the few that isn't feeling the effect of the global credit crunch, with the next few years tipped to show continued, strong growth," Hicks said.

Luke Coleman

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