



MEDIA RELEASE

HUNDREDS OF JOBS COULD BE CREATED BY BRIDGING DIGITAL DIVIDE BETWEEN URBAN & RURAL AREAS IN CLARE

- Magico.ie seeks rollout of broadband to boost competitiveness of rural Clare

Ennis, County Clare, IRELAND, 13th March 07 - Ireland's longest established Web Design and Software Development Company has suggested that thousands of jobs could be created through the rollout of broadband in rural County Clare. Ennis-based **magico.ie** claimed that the Government, Eircom and the Commission for Communications Regulation (ComReg) had stood idly by as the growing digital divide between the County's rural and urban areas had resulted in a loss of investment, jobs creation and competitiveness.

"In light of the recent significant job losses in the mid-west region, the Government should now look to ways of creating new employment opportunities", stated Paul Montwill, Managing Director of magico.ie.

He continued, *"Numerous studies have shown that the development of an advanced communications infrastructure can lead to job creation and retention, increased business efficiency, improved education systems, faster industrial growth, increased start-up and entrepreneurial activities, and more productive research and development."*

"The Minister for Communications, Marine and Natural Resources, Noel Dempsey T.D., addressing a recent forum on next-generation networks (NGNs) organised by ComReg, said that everybody should have access to high-bandwidth services and that businesses should be free to choose to base themselves outside the large urban areas. However, the reality on the ground is that up to 1 in 3 people on dialup Internet access cannot switch to broadband. Meanwhile, the 12-point broadband plan, recommended by the Oireachtas Committee in 2004, has yet to be implemented leaving rural businesses across Clare with limited development opportunities", Mr. Montwill stated.

He added that access to broadband services in the County was now a major political, economic and social issue that needed to be addressed immediately.

“It is no longer acceptable for the Government, as well as Eircom and ComReg, to ignore the infrastructure needs of those on the wrong side of the digital divide. Without increased broadband access, communities in rural Clare will continue to lose out on opportunities to attract and retain businesses that depend on infrastructure. The Government, in its National Broadband Action Plan, should place investment in rural communications infrastructure at the top of its list of priority actions in the interests of the national economy”, he stated.

Mr. Montwill added, *“The successor to the Group Broadband Scheme - the National Broadband Scheme – aims to ensure that every home and business in Clare will be able to receive broadband regardless of location. Such a scenario, however, is a long way off yet. While Eircom talk about the migration of urban-based broadband services to Next Generation Networks, businesses in rural parts of the County are left to face the expensive and non-practical scenario of conducting business over dial-up Internet connections. Our technology remains significantly behind most other European countries, including new entrants who have not experienced the economic advantages that we have enjoyed over the last ten years.”*

Meanwhile, Mr. Montwill indicated that the huge upsurge in Clare businesses expanding into the online shopping market had created further difficulties for rural-based small and medium enterprises.

Commenting on the advent of online shopping, Mr. Montwill said, *“Online shopping, which is increasingly becoming an important element in the development of any business, is not an option for many rural companies who cannot avail of high speed Internet connections. Despite the price of broadband services dropping significantly over the past few years, and a number of wireless and cable operators entering the arena, our broadband penetration remains unacceptably low. Ironically, for a technology that allows companies to extend their reach into the global market, business operators in rural parts of County Clare remain isolated.”*

“Minister Dempsey last week said he looked forward to a time when bandwidth speeds of between 50Mbps and 100Mbps services would be available to every Irish home. The stark reality in 2007, however, is that businesses across Clare must

survive with a bandwidth speeds of less than 56kbps, just 0.2% of the speed peddled by the Minister”, Mr. Montwill concluded.

Magico.ie was established in 1999 and currently employs 15 people at its headquarters in Ennis, County Clare. Its current client base includes Cavanaghs of Charleville, Kerry Foods, Halifax, IAVI, Hughes and Hughes Booksellers, Sisk, Independent Sports Retail Alliance, Fintrax Group, Fuji Ireland, Lily O'Briens, Munster Rugby and Fitzpatrick Hotels. The magico.ie team consists of industry experts who have worked on large Irish and overseas ICT projects with partners such as IBM, Microsoft, Tesco.com, Ireland Online, Bank of Ireland Asset Management, and many more.

In 2005, the company received the '*Best Web Design and Development Agency Award*' at the prestigious **eircom.net Golden Spider Awards**, the Oscars of Ireland's Internet industry. The company was again shortlisted for an award last year as well as being shortlisted in the Web Development Company of the Year category at the 2006 ICT Excellence Awards.

According to Gareth Noonan, Online Marketing Manager with magico.ie, *“Maximising revenue, controlling costs and providing outstanding service to customers or users are the ever-present challenges faced by businesses and not-for-profit organisations. We believe that the imaginative application of technology is the starting point for solving these problems.”*

He continued, *“We take a holistic view of the web channel, where the website itself is obviously a key component of an organisation's online presence, but the marketing of that site is equally, if not more, important.”*

For more log on to www.magico.ie.