

# So you are interested in the development of an OPLAN?

OpenPlanet Ltd. is increasingly contacted by incumbent telecoms operators, municipal authorities and local politicians, developers and individuals from around the world, enquiring about how they might secure or contribute to the development and funding of an **open public local access network - OPLAN** - for their community. A background and summary 'white paper' outlining OPLANs is available for download as a .pdf file from the Company's website [www.open-planet.net](http://www.open-planet.net) or from the associated OPLAN Foundation - the not-for-profit international education trust [www.oplan.org](http://www.oplan.org).

This note summarizes the basis on which OpenPlanet Ltd. is able to assist those who would see an OPLAN developed to serve their own city or community and sets out a summary of the principal steps involved.

OpenPlanet Ltd. is **not** a consulting firm and does **not** provide advisory services unless it is part of a process which involves working with one or more local parties towards the establishment and development of an appropriately structured and managed special purpose vehicle, dedicated to securing an OPLAN for that local community. OpenPlanet is totally independent - unrelated to any network operator, technology vendor, professional advisor/ consultant or financial investor. The Company is dedicated to facilitating, creating and equipping local OPLAN companies that serve the interests and needs of their local users above anyone else.

Each OPLAN in any locality (town or city or area) is unique and not only requires the

formation of an independent corporate vehicle appropriate to the local circumstances, but that individual OPLAN company will need its own, specifically developed business plan and funding. OpenPlanet undertakes this in collaboration with one or more local partners - these usually include the municipality or local authority.

## Question 1

*What is the precise local area for which the development of an OPLAN is contemplated? (i.e. the town, city, locality, business park or residential development etc.)*

## Question 2

*Is there political commitment and vision within that local community for the development of an OPLAN and if so, is the local authority or municipality likely to be willing to become directly and financially involved with OpenPlanet in its development?*

Unless there is the prospect of a positive response to these two key questions, it is unlikely that OpenPlanet will be able or willing to invest time and resource in a project. If the proposed OPLAN project is restricted to a private development (i.e. a business park or residential development) then a similar real commitment from the developer or owner will be required.

However, assuming a positive response to the above two questions, then OpenPlanet will be interested in exploring the potential for engagement with local parties towards the development of an OPLAN. This is likely to follow the following broad steps.



<i>Step</i>	<i>Task</i>	<i>Duration</i>	<i>Cost to Local Partner(s)</i>
1	Initial Exploratory Discussion	1-2 days	Zero
2	Preparation of Detailed Proposal	15 days	Zero
3	Collaborative Engagement with OpenPlanet Ltd.	28 days	Own legal costs
4	OPLAN Business Plan Development	60+ days	50% + external costs
5	Formation of/Investment in OPLAN company	60+ days	Discretionary

## Step 1 Initial Exploratory Discussion

OpenPlanet Ltd will meet with any party, anywhere in the world, interested in the formation of an OPLAN provided Questions 1 and 2 above can be answered positively. It will undertake this exploratory meeting without any charge to the local party and without any commitment. OpenPlanet will bear its own travel and accommodation costs to any location in Europe - outside Europe, the local party will be required to reimburse OpenPlanet Ltd for travel and accommodation costs associated with this meeting.

The outcome of this meeting could take various forms:

- a) the local party decides it does not wish to proceed or wishes to do so without further involvement of OpenPlanet Ltd
- b) OpenPlanet does not believe the opportunity for a local OPLAN, to wish to invest further time and effort on a speculative basis - and the local party is not willing or able to reimburse OpenPlanet for further work
- c) The same as b) but the local party requests a costed proposal from OpenPlanet to undertake further work or research

d) OpenPlanet and the local party both consider the opportunity sufficiently positive that OpenPlanet, at no cost to the local party, agrees to prepare a detailed proposal (Step 2)

In the event of c) or d), the parties will enter into a simple mutual non-disclosure agreement.

## Step 2 Preparation of Detailed Proposal

OpenPlanet will, at its own cost and without any commitment from the local party, prepare a detailed proposal document setting out the work it would undertake in order to develop a full business and financial plan and 'route map' for a new company dedicated to developing an OPLAN to serve the location in question.

This proposal will permit the local parties to understand the extensive tools and resources which OpenPlanet have developed in order to accurately assess the cost of designing, constructing and operating the OPLAN. The Proposal Document will also set out what input will be expected from local parties and the expected requirement for the services of independent consultants.

The proposal will set out the proposed terms and conditions for OpenPlanet's continued involvement with the project which normally will be on the basis of a 50:50 sharing of its costs with the local party(s). The latter will be expected to meet any external costs (for which a maximum budget will be proposed) but in the event that a local OPLAN company is successfully formed and funded, then it should be possible for all these costs to be recovered by being charged to the new company as 'start-up costs'.

### **Step 3 Collaborative Engagement with OpenPlanet Ltd**

The local party(s) decide to accept (or otherwise) the proposal presented by OpenPlanet in Step 2. In the event that it is accepted, the terms of proceeding with Step 4 will be set out in a simple agreement between OpenPlanet Ltd and the local party(s) - with each side bearing their own legal costs.

### **Step 4 OPLAN Business Plan development**

It generally takes a period of about three to four months for OpenPlanet to develop and present a fully fledged business and financial plan for the proposed OPLAN Company.

If, after considering this note, you are interested in exploring the possibility of embarking on Step 1 - then please contact one of the directors of the Company:

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The precise time and cost of undertaking this work will depend to a certain degree on the amount of data and market information that is readily available from the local party(s) or can be made available through their auspices rather than OpenPlanet having itself to be responsible for securing the data. The importance of a willing and committed local partner(s) (preferably in both the private and public sectors) in minimizing both the cost and time of this critical Step, cannot be over-stressed.

### **Step 5 Formation of/Investment in OPLAN Company**

In the Business and Financial plan which is the output from Step 4, certain assumptions will be set out relating to the role and input of local parties to the proposed OPLAN company which OpenPlanet deem to be necessary in order to attract the necessary external third-party funding of the OPLAN on the right terms (i.e. securing the long-term independence and 'openness' of the OPLAN). These will be discussed with the local parties with the aim of creating the sufficient and necessary conditions whereby the new OPLAN Company can be formed and fully funded.

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