

Somerfield's New Virtual Network Now in Store

Supermarket chain with new fully managed telecom services providing WAN, Security, Telephony and PSTN services

London, 7 December 2006 – High street supermarket chain Somerfield have signed a multi year outsourcing contract worth 18,6 million pounds with the leading global Virtual Network Operator Vanco for managed telecommunications services. The telecoms solution will provide services across 886 UK sites, including 873 stores, 11 Depot locations, its Disaster Recovery (DR) centre and Somerfield's HQ in Bristol.

The contract will see Vanco design, install and manage the Somerfield Wide Area Network (WAN), Internet and Firewall services. Vanco will take over the management and maintenance of all Local Area Networks (LAN), the PBX estate and the legacy PSTN/ISDN estate, including call minutes. Vanco will also migrate and manage all existing 3rd party contracts.

The Vanco WAN solution includes its MPLS Matrix for the depots, Ethernet for the head office and private ADSL for the Stores. This provides Somerfield with a highly resilient, scaleable WAN solution which facilitates the addition of future services such as hosted IP Telephony.

Richard Beale, Somerfield's procurement director comments: "We needed a pro-active provider that was able to help us driving down our IT costs but could also give us enough flexibility for future requirements like VoIP.

"With Vanco's new network solution I expect initial cost savings of 50 percent and further savings from their annual Active Negotiating Position. In addition we can now connect new stores easily and fast."

"The Somerfield contract shows that even within a single country the VNO model provides a very cost effective and the most flexible solution," says Mark Thompson, MD Northern Region at Vanco.

"In the fast moving retail market you need to be able to adapt quickly to new developments. Vanco provides enterprises with the required flexibility to evolve and grow their business and not making the network a restraint."

About Somerfield

About Vanco

Established in 1988, Vanco plc (FTSE: VAN) is the pioneering and leading global Virtual Network Operator. Vanco does not own telecoms assets and therefore has the freedom to source infrastructure from the most suitable Asset Based Carriers (ABCs) on a global basis. It provides enterprise clients, directly or through partners, with cost-effective, optimized and fully managed network solutions. Carriers can also extend their off-net reach by accessing, through Vanco, other carrier networks around the world.

With solutions available in 230 countries and territories, Vanco is selected by the world's largest organizations to provide strategic network solutions. Its clients include Accor Hotels,

Avis Europe, British Airways, Ford Motor Company, IBM/Lloyds TSB, Siemens, Pilkington and Virgin Retail.

Through the Vanco network solution clients get access to the greatest geographic coverage available through a single provider. Vanco offers incomparable flexibility to customize and adapt the solution in line with market changes and business priorities.

Vanco is recognized by the industry for its financial success and world class customer service delivery. A significant proportion of its investment capital goes into customer care which is reflected by the awards won, independent market research and client retention.

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