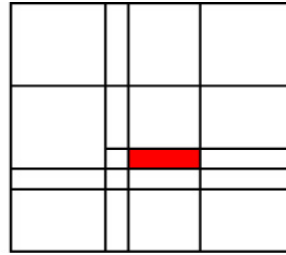


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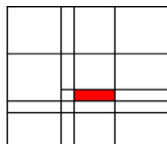
**UK Colocation Industry
Structural Changes and Trends
December 2013
Report Summary**

Tim Anker

The Colocation Exchange Ltd

December 2013

the**colocation**exchange



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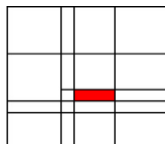
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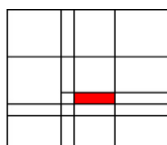


Report Brief

The 2013 report by Colo-X deals with the following points:

1. Overview of the UK Colocation Industry

- Structure of the UK colocation industry – our views are changing: we used to see a simple two tier market of colocation facilities in central London in contrast with those everywhere else, including sites around London on the M25 and across the UK. Now we feel the comparison is becoming less about a convenient geographic fit and more about a handful of specific premium facilities, those with clear, deep and proven ecosystems in contrast with all other facilities (now including several in central London) – in other words the market is beginning to value specific ecosystems and is starting to appreciate not all facilities are high value ecosystems. There is significant choice in the market now, with a broad range of price points, a big difference from where we were only a few years ago.
- Our change in stance is very much supported by pricing trends we have seen in the market over the past 12-18 months. We attempt our first “league table” listing central London colocation sites in terms of strength of their ecosystems as perceived by Colo-X – obviously this view is highly subjective, but an attempt nonetheless. With one operator seeing a 30% difference in price per kW across the categories its importance is becoming clear. The author’s ownership of Crosspoint Colocation, a business running 45 cabinets mostly in London Telehouse, is a significant insight into appreciating the real and tangible benefits these ecosystems can offer.
- The report also covers:
 - Capacity, supply, demand in the market overall and in the regional markets
 - Identification of key regional markets, eg Manchester or the Midlands and further analysis on these
 - Identification of key colocation facilities with recognised ecosystems outside of central London
 - The growing impact of wholesale operators in London and the south east offering colocation



2. Pricing Trends

- Colocation price trends in the UK
- Colocation pricing in the three UK markets: central London, M25 and the regions

3. Comparisons of the regional operators

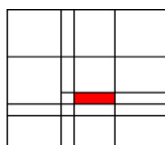
- Strengths/weaknesses of key regional operators in the market including: Pulsant, Iomart, Onyx, 6 Degrees, InTechnology, Telecity (Manchester), BlueChip, ONI
- Quality comparisons, facilities, operators
- Key factors behind decision making for colocation buyers

The report is 47 pages long and over 11,000 words.

Methodology

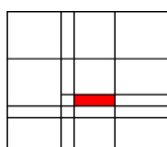
Our independent position in the UK colocation industry gives us a unique ability to assess the market in general which we are pleased to present in our report. On pricing our findings are based upon information we believe to be reasonably available in the market or which could be fairly easily discovered by an external consultant.

Colo-X has been involved in the industry since 1999 so we have a wealth of historic data from both actual transactions and quotations that we are able to utilise as well as our overall experience, market intelligence and impressions gathered through numerous meetings, conversations and deals. The author also owns and operates Crosspoint Colocation Ltd, a 45 rack colocation business operating primarily in London Telehouse and a couple of other Surrey based sites.



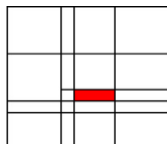
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