

## Telco Edtech takes aim at Education IT Cloud market

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Specialist Education sector IT services company Edtech is the nucleus of a new IT services company aiming to invest in the rapidly emerging market for Cloud IT services.

Edtech managing director and majority owner Peter Nelson says Edtech's 60-strong Network Services division is being merged with fellow education sector IT services company passionIT, to form the nucleus of a specialist, education-focused cloud services business to be called Telco Edtech.

Edtech and passionIT will have a significant stake in the new company alongside majority shareholders Telco Corporation. Launching on 1 October, Telco Edtech will comprise 75 staff operating from Edtech's existing premises in Auckland, Hamilton and Palmerston North, passionIT's existing premises in Tauranga, and Telco Corporation's premises in Wellington and Christchurch.

Telco Edtech will work closely with Edtech's existing specialist Education divisions: MUSAC Services, Financial Services and Ultranet (Learning Management System).

Edtech's Peter Nelson will become a director of Telco Edtech, as will Passion IT's managing director Scott Palmer. Other board and management appointments are yet to be announced.

Nelson says the strategy for Telco Edtech is to use the nucleus provided by Edtech and passionIT's expertise, people and resources in the education market to put in place a high-growth, IT infrastructure services group. This group will be focused on providing cloud infrastructure services to the New Zealand education sector.

"The world of IT provisioning in the Education sector is changing rapidly," Nelson says. "The \$1.5 billion Government investment in ultrafast broadband will enable schools to have IT delivered via the cloud at a much lower cost and with access to a huge new range of content, applications and services. The fundamental change is that schools of the future will have cloud-delivered ICT, leveraging both local area network and private cloud services, along with the massive resource of offshore public cloud services.

"In order to leverage that opportunity, both Edtech and passionIT needed to rapidly scale up in size and resources. The merger provides the increased scale and investment capability required to develop and deliver the comprehensive and rich set of cloud services at a price point appropriate for education, along with the breadth and depth of technical capability to seamlessly integrate cloud and on-premise solutions in a way which delivers value to schools and learners."

Telco Corporation became involved in the education market in 2010 by project managing the rollout of high quality network upgrades in schools across the country. Nelson says that investment by the Telco Corporation brings extensive expertise and resources spanning the design and build of data centres, school networks, enterprise quality website development and significant asset and property management expertise.

Edtech brings 14 years of experience with school local networks from small country schools to the largest urban high schools, software development capability and significant experience delivering private cloud services from data centres in New Zealand. Edtech already provides cloud based services to over 300 schools, within an overall client base of 1,400 schools.

Pilots for a fully cloud-based ICT infrastructure are under way with two schools that recently connected to fibre networks within Auckland. Edtech has recently developed a Ministry of Education-approved single sign on service that allows school staff and students to access commonly used web software applications using a single login and password.

passionIT bring extensive experience with the management of school networks and cloud-based services, including a feature-rich and cost effective Voice over IP telephony system and Security over IP – all of which will now be readily available to a far wider group of schools and SMEs.

“A critical component is the financial backing of Telco Corporation, with the resources and commitment to make the major investments required to deliver on the new cloud computing world,” Nelson says.

There will be no changes to existing contracts or existing service levels, Nelson says: “We are committed to delivering on existing contracts from day one and to maintain and improve services going forward. The formation of Telco Edtech is all about leading the provision of cloud computing solutions in a rapidly changing education market. We expect to retain existing staff and move quickly to grow staff numbers to support new services and new customers. There will be a particular focus on growth in the Wellington region and the South Island.”