



A TSF employee during the recent operation in the Soloman islands hooked up to an FTMSC BGAN terminal

# Mobility is the key

France Telecom Mobile Satellite Communications (FTMSC) markets mobile satellite services globally. Helen Jameson talks to Vivian Quenet, Area Manager, South East Asia & Pacific, Japan & Korea, about the huge potential for these services in the Asia-Pacific region.

**France Telecom** Mobile Satellite Communications is owned by Apax Partners France and markets mobile satellite services (Inmarsat, Thuraya, Iridium, Globalstar). The company has a highly active international distribution network (200 distributors), six subsidiaries (TDCOM in France, FTMSC GmbH in Germany, FTMSC BV in the Netherlands, Glocall Middle East FZE in the United Arab Emirates, FTMSC US LLC in the USA and FTMSC Algeria) a Representation Office Registered in Singapore and a sales office in Hong Kong.

**Question:** Mr. Quenet, many thanks for your time today. May I firstly ask you to introduce yourself to our readers?

**Vivian Quenet:** I was working before in the

GSM industry and I moved to satellite communications almost seven years ago. I was working previously for a subsidiary of FTMSC in France taking care of the French and the African market for satellite communications. Then I moved to FTMSC and took care of the maritime market for Europe, and starting in January last year I focused more on the South East Asia market including Japan and Korea. We then officially opened our new office in Singapore last February.

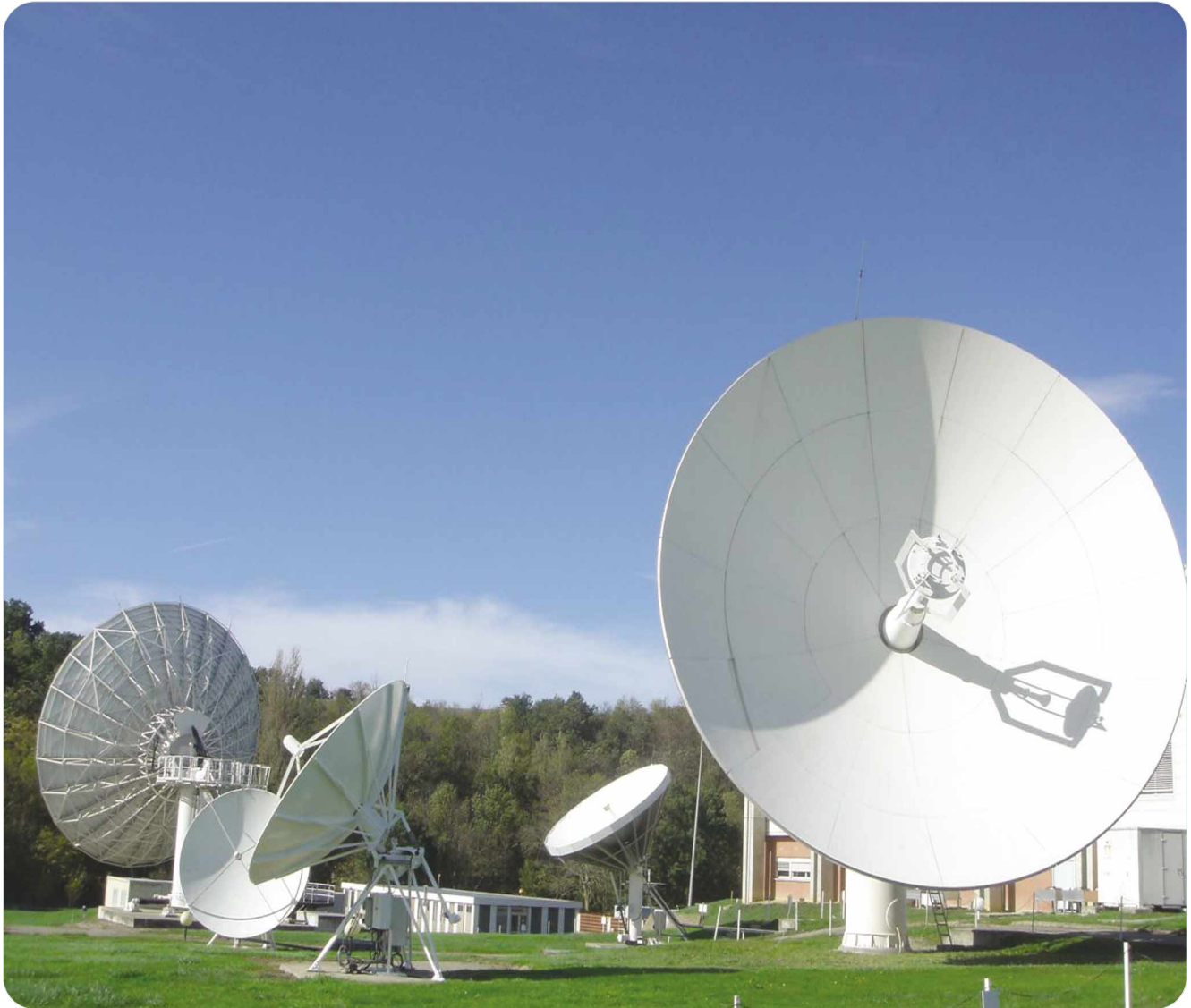
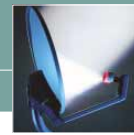
**Question: Following FTMSC's set-up of the office in Singapore, what is the current state of the MSS market in the Asia-Pacific region and what were the reasons for choosing an office in Singapore itself?**

**Vivian Quenet:** I think there are many points



Vivian Quenet, Area Manager, South East Asia & Pacific, Japan & Korea, France Telecom Mobile Satellite Communications.

in this question. The first reason why we came here is that we did so a couple of years ago and we realized that there was fantastic potential within the South East Asia market and the Pacific market also, especially in Australia. And at that time we had no fixed location in the region. We already had a network, but no physical presence in the region. So that's one of the main reasons why we decided to open a regional office.



*The company's land earth station near Toulouse where it develops its tools & applications for BGAN and other services.*

The second point, I would say, is that if we look a bit deeper into the South East Asia market you see that a lot of countries now are growing rapidly. Countries like Vietnam, Indonesia, Malaysia and we see those countries growing very fast. If you look at these countries there's very poor infrastructure and the people we are talking to do not have fixed lines as we do in Europe, they have switched to GSM or satellite directly in remote areas. So these countries are pushing the satellite market very fast, so I would say that this is the second reason why we wanted to be in South East Asia. It's mainly Indonesia, Vietnam and the Philippines where the markets are moving fast. Because of the potential and the fast growing market, we knew that there would be demand for products like BGAN which completely fit the needs that the current customers have. We deliver these products and provide the customer with exactly what they need.

**Question: Do you see MSS as a growing market in China?**

**Vivian Quenet:** Oh yes, and it's growing very fast. We already have an office in Hong Kong and I can say that indeed we are very active in China especially with the new devices that we have such as the BGAN. China needs a lot of raw materials to produce what they send over to Europe. And basically, in order to do so they need to find oil, they need to find raw materials and the only way they can seek the raw materials inside the country where there is basically no infrastructure is to have this kind of equipment. So yes, we are very active in China as well.

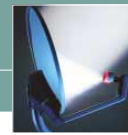
**Question: Is the new office starting out well and has the setting-up of the office been a learning curve for FTMSC and how?**

**Vivian Quenet:** For me, it has been a great experience. Maybe greater for me than for

France Telecom which for over twenty years has been an international company with locations in Europe, the US and the Middle East. For France Telecom it was the next step, but a very important step. Regarding the office itself, we opened last February, but as I said we have been focusing in this region since January 2006 and we have already signed some major contracts with some big shipping companies. We currently have on the table two multimillion dollar businesses to be finalised very soon. So it's starting very, very well. We are also recruiting new people here, so we will have more resources. So we should have our team together very soon starting in June.

**Question: With CommunicAsia only a few short weeks away, how important is the Asia Pacific market to FTMSC?**

**Vivian Quenet:** In general I would say that South East Asia is a perfect area to grow



our business because it's not only growing on the maritime side due to the Chinese exports, but it's also growing on the land mobile side due to the fast growing developing countries. In fact we are seeing growth on all sides.

Just to give you some facts relating to the maritime industry – because China is exporting more and more, the maritime market needs more and more vessels. In 2007, there will be something like 400 vessels that will be built worldwide. Of those 400 vessels – 40 percent will be built in Korea, roughly 15 percent in China and around 15-20 percent in Vietnam, the Philippines and Malaysia. As you can see about 80 percent of all the new building work will be done in the region.

So, of course, new building also means onboard satellite communications. These ships are an independent office and that is what we try to push to the market. Of course if you have this equipment installed and we have customers in the area who are also selling the hardware, you can understand why we are located in Singapore. It is to serve the maritime sector.

For the land mobile sector there is huge potential business, but not only in the developing countries. We will see very soon the launch of the third Inmarsat satellite over the Pacific, as well as the second commercial Thuraya satellite which will completely cover Asia. This extended coverage will open up new markets such as the Australian market, for example.

It is a great country with lots of demand for rural communications but more than that, it will open up broadband services in this area too.

If you look at Australia it is mainly mining operations with companies such as BHP Billiton that have huge plans for looking for oil and for minerals. They have teams that travel around reporting back vast sums of geological data to headquarters. If we look to Malaysia, Malaysia is looking for oil more and more. If we look at Indonesia and the economy there it's mining, it's plantation, it's timber companies and it's oil and gas. And if you look at the geography it's more than 13,000 islands. Of course there would never be any coverage on those islands. The only way for big corporates like Total and Exxon to develop is to have communication where there is no communication. That's why we see great potential in these areas.

**Question: What new products will FTMSC be introducing to the market at CommuncAsia?**

**Vivian Quenet:** Our approach now is to go completely independently of any satellite operator because we don't want to be tied to anybody. The France Telecom position itself is that we are a supplier and therefore we do not want to be tied to anybody so that's why

we will go to CommuncAsia in an independent way. We will not be on any Inmarsat, Iridium or Thuraya booth and we will organise our own events in our own office. We will also disclose the new name of the company as, last year, we were bought out by a capital venture company called Apex Partners and we will be changing the name very shortly. The announcement should be made by the end of May.

**Question: I have read with interest your press release on the work you have done with Telecom Sans Frontières in the Soloman Islands following the tsunami in April. Can you explain what involvement you had and do you see the disaster recovery sector as an area that FTMSC would like to be further involved with?**

**Vivian Quenet:** Currently we are not going directly to the market. However, TSF have a lot of needs and they are moving around a lot. So wherever they go they need a partner who will be able to provide the equipment they need and a global service. If we look at what happened in the Soloman Islands, there was an urgent need for satellite communications and because we have our office in Singapore and because we have a great network of resellers we could provide the equipment that they needed on the Soloman Islands in just a couple of hours.

We have been working with TSF for a few years now and they renewed their partnership with us at the beginning of the year and basically it is a complete partnership, not just financial. We provide airtime to them, satellite equipment, and also technical support.

Disaster recovery is definitely a key segment for us. We have somebody within our organisation that is dedicated to providing offers to NGOs and to all organisations involved in disaster recovery. It is a very important segment for the Asia-Pacific region.

NGO activity is maybe not as big in the Asia-Pacific as it is in Africa, but if we look at the tsunami in Thailand and Indonesia and if you look at what happened in Indonesia also with the volcano there is a real need for satellite communications for NGOs.

**Question: Which areas of your business do you see growing over the next 12-18 months?**

**Vivian Quenet:** I think the China effect will continue so I think there will be growth on the maritime side. Just for your information, the shipyard orders are completely full until 2011 so whatever happens, those shipyards will produce something like 400 vessels per year.

So I think that on the maritime side we will see steady growth for the next 18 months and I think it will continue in the coming years, that's for sure. We will see a growth in (and we already have some orders for) BGAN when it will be available in the Pacific, for the mining industry in Australia and also oil and gas in Malaysia and Indonesia. There will be two kinds of needs – handheld, but mostly for BGAN and the fleet broadband that will be available on the maritime side. I think it is difficult to say which particular sector will grow because for me, everything will grow. That's why we are here. Every segment to do with satellite should grow in the coming years.

**Question: Where do you see FTMSC in the Asia-Pacific region by this time next year?**

**Vivian Quenet:** I can tell you almost for sure that we will be very, very present in Australia next year. We have just signed a few more contracts there. Thailand – regarding disaster recovery. Vietnam – it's more a forecast but we have had some very good contacts there and we are going to participate in CommuncVietnam. We will also be working in Indonesia where there is a need for greater access to communication. ■

## FTMSC signs partnership with Télécoms Sans Frontières

France Télécom Mobile Satellite Communications (FTMSC) and Télécoms Sans Frontières (TSF) have signed a partnership for the development of emergency mobile satellite communications solutions. The two companies announced the news at International Aid & Trade, a trade show dedicated to humanitarian aid, relief and development.

FTMSC develops and markets mobile satellite voice and data communications solutions (email, Internet, videoconferencing, etc.) all over the world, particularly in regions with limited GSM and terrestrial telecoms infrastructure. These solutions cater for NGOs often operating in isolated areas or places where conflict or natural disasters cause a breakdown in traditional communications. These solutions enable NGO employees to set up an emergency telecoms centre in minutes, optimise emergency aid processes and increase the efficiency of humanitarian missions. As official partner to TSF, FTMSC provides the NGO with a range of satellite terminals as well as a fixed amount of traffic credit for use by teams in the field.

Specialising in emergency telecoms, Télécoms Sans Frontières plays an essential role in strengthening coordination and communications by deploying telecoms centres in the 24 hour period following a major incident.