

Contact

OZZIE
AWARDS 2009
Bronze "Best
illustration"
PAGE 8



Thomas Näsström, responsible for Ericsson's Connected Home Gateway

Taking charge of the home

Pages 16-25



HANS VESTBERG, NEW CEO AND PRESIDENT OF ERICSSON
He wants the company to be like an accomplished orchestra

Pages 14-15

How it works:
LEARN MORE ABOUT
EDGE ROUTING

Page 5



Smart innovations from bygone days

Pages 32-34



ERICSSON

PHONE
LINES
LIFE
LINES

Ericsson's mobile telephony is helping
people worldwide stay safe, be healthy,
bank money and make a living.

ericsson.com



ERICSSON



Emergency services in Slovakia

The system that is saving lives

Pages 26-30

Get involved in the dialog

A new decade has begun. It remains to be seen whether the next 10 years will be as eventful as the 10 we have just left behind, which brought a roller-coaster ride of economic highs and lows. There is much to suggest that the pace of change in our industry and in society in general is constantly increasing. It sometimes feels like the only constant these days is change. Does that sound daunting? Well, no doubt it does a little, but bear in mind that this also offers major opportunities for our company. Those who can best predict the changes ahead and adapt to them fastest will be the winners.

At Ericsson, we have begun the decade with Hans Vestberg taking over as CEO. I hope that you have already noted the new initiatives that have been taken to strengthen our internal dialog. If you have not already done so, I suggest you visit You Me We, the CEO space, which you can access from Contact Online, the global intranet portal.

This is where Hans writes personally about the company and the competition. You can also blog with him, ask him questions directly or discuss issues that he can address with other colleagues. I hope that as many of you as possible will get involved and give us good feedback on the various initiatives being taken within Ericsson. A lot has to do with understanding the situation regarding the competition and then using our knowledge to act. There will not be a complete U-turn at this point, but as economist John Maynard Keynes once wrote: "The difficulty lies not in the new ideas, but in escaping from the old ones".

There is a clear approach in Hans' program. It is a vision where customers come first, where motivated employees can advance themselves, the company and the society around us and create value for our shareholders. On that note, I should remind you about the interview with Hans in this issue of Contact Magazine, and a longer version on Contact Online, where he goes into more depth about the areas where Ericsson has obvious potential for improvement: *customer first, innovate, work smart, empower people and create value*. So get involved in the dialog. The company needs your commitment and your opinions.



Henry Sténson, head of Group Function Communications and publisher of Contact



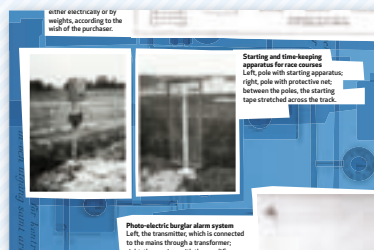
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Contact

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Have your say

E-mail us your questions, opinions, reflections or work-related images. We will publish a selection of the material on this page.

contact.comments@ericsson.com



THE 2009 READERS' CHOICE

Here is the picture Contact readers voted Best Photograph for 2009. The winning entry was taken by Deepak Gujar from India, and shows his son jumping off a park

bench. It faced tough competition from the runner-up, with only 11 votes separating the two. Congratulations, Deepak!

A total of 820 readers voted, and the winner received 212 votes. Much to our delight, every one of the entries received votes. The Contact editorial team would like to thank all those who participated. Please continue sending us your photos. E-mail your picture together with a short comment to: contact.comments@ericsson.com

The editor

MISSED LINK?

In the diagram on page 5 in the latest issue of Contact Magazine (#6, 2009), there is no link between the mobile phone in the "Devices" layer and the web node in the "Access Technology" layer.

With the new mobile phones with

WiFi access and other direct connections to the internet, I think that this link should also exist.

Raphael do Amaral Raymundo, Brazil

ANSWER *Thanks for the comment. Yes, of course, mobiles can increasingly connect directly to the internet, so another arrow might have been appropriate. The reason for making some distinction between the phone and the laptop is that we expect much higher traffic volumes arising from HSPA/LTE-enabled laptops than from smartphones (although it is likely that the number of users will be higher for phones in the long run). An alternative would have been thin and thick arrows; another would have been to explicitly add a bubble representing the PS core network. But as usual, some detail must be sacrificed in order to create a simple picture.*

UIF Olsson, senior expert

Readers' pictures



This photo of the cricket team that won the Ericsson Friendship Cup in Mumbai was taken in a single click while rotating the camera 360 degrees, so that all the players appear equally clearly.

D Rajesh, India



A zebra at São Paulo Zoo in Brazil, photographed with my Sony Ericsson W800. The zebra poked his head in through the window for a few seconds and I was lucky to have my camera close to hand.

Ruben Barerra, Mexico



Preliminaries in the World Cup football play-off between Algeria and Egypt in Khartoum, Sudan, taken with my Sony Ericsson W980 mobile phone.

Osama Dogorshom, Sudan

Welcome...



PHOTO: ADEEL KHAN

... to Ericsson, Catalina Rapetti,

who recently started as a solution architect at CSI & Multimedia (Consulting, Systems Integration and Multimedia organization within MUSAM) in Uruguay.

What made you apply for this job?

"When I applied, the first thing that motivated me was the challenge of working in a leading telecom company, as well as being

in touch with the latest technologies in a market that is changing really fast. Besides that, there are excellent opportunities to learn and grow professionally here, in addition to the wonderful work atmosphere."

What has been your main focus area since you started at CSI & Multimedia?

"I have been working on a big value-added services project for

a local operator that involves integrating several platforms."

If I visited Montevideo tomorrow, what would be a must-see for me?

"A must-see in Montevideo is our seaside walk, or, as we call it, "rambla." It runs for several kilometers, and you can jog, ride a bike, take a nice walk or just enjoy the sightseeing."

Web poll

72.7

... percent of 913 Ericsson employees think that the use of social media tools poses a security risk both to individuals and companies.

Source: Global intranet portal

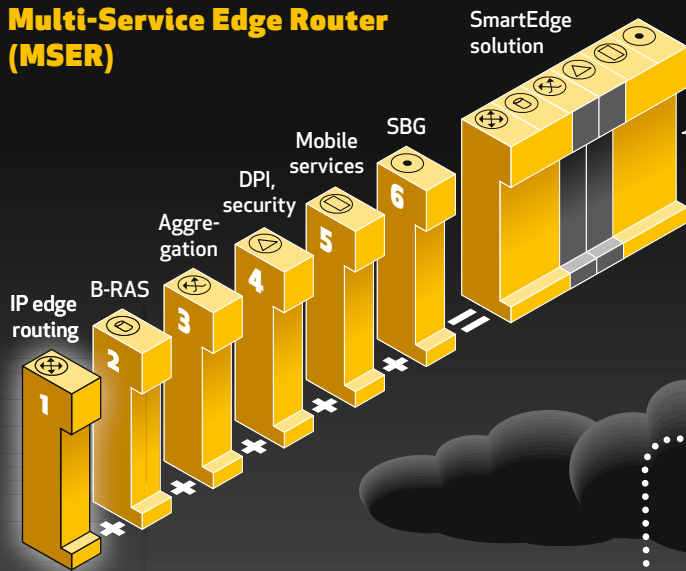
Have you been asked ...

...ABOUT EDGE ROUTING?

Edge routers

Edge routing is one of the functionalities in the SmartEdge Multi-Service Edge Router (MSER) acting as a multi-access edge solution – a critical component of Ericsson's Full Service Broadband solution.

Multi-Service Edge Router (MSER)



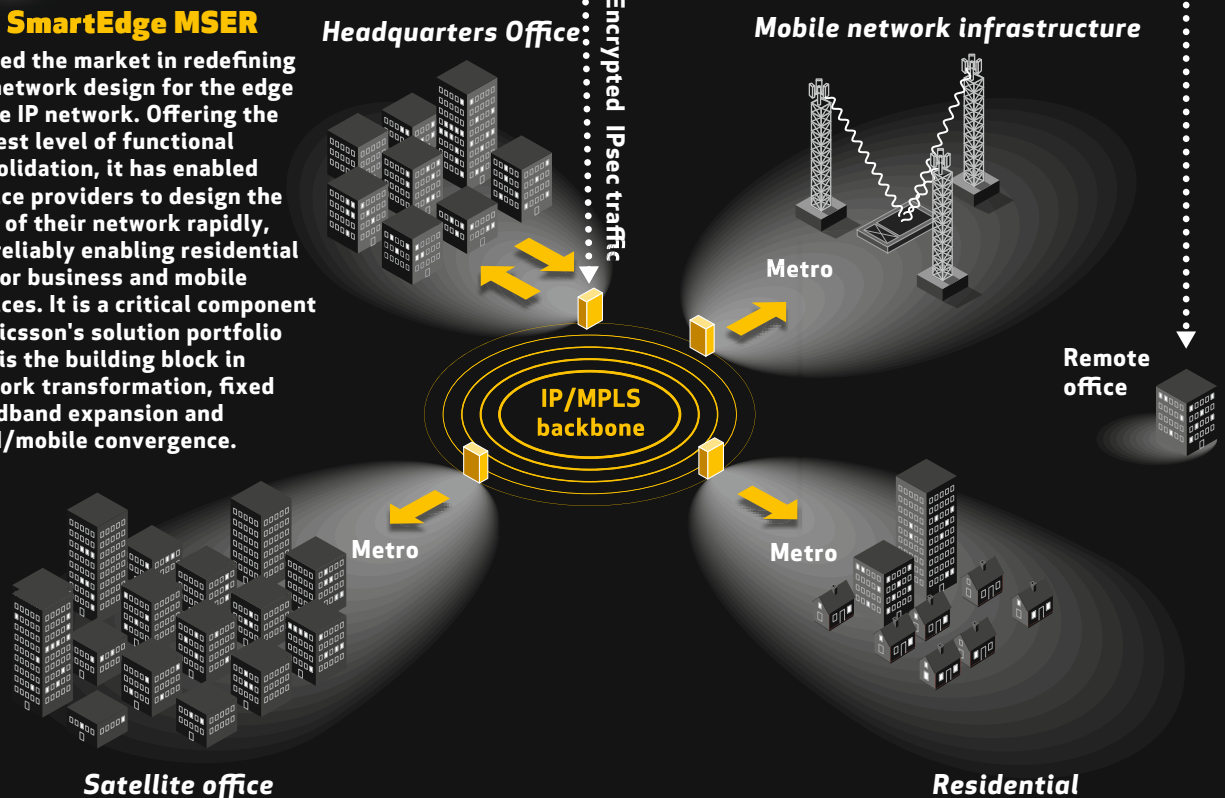
It offers any combination of these functions in one platform:

- IP/MPLS to facilitate delivery of real-time voice and video
- Broadband Remote Access Server (B-RAS) to support customer care
- Ethernet aggregation for network architecture optimization
- Session Border Gateway (SBG) for enabling calls in IMS-based multimedia VoIP applications
- Mobile services to pave the way for the convergence of fixed/mobile network infrastructure
- Over the top services: peer-to-peer traffic analysis and management plus network security via Internet Protocol Security (IPSec).

I N T E R N E T

The SmartEdge MSER

Has led the market in redefining the network design for the edge of the IP network. Offering the highest level of functional consolidation, it has enabled service providers to design the edge of their network rapidly, and reliably enabling residential and/or business and mobile services. It is a critical component of Ericsson's solution portfolio that is the building block in network transformation, fixed broadband expansion and fixed/mobile convergence.





5.10pm / October 14 / Brussels, Belgium



Multitasking

Having a never-ending stream of errands is just a normal working day for Mats Nilsson and his colleagues at Ericsson's European Affairs Office in Brussels, a part of the Government & Industry Relations unit. They are based in Europe's center of power and have the task of raising telecom issues on the agendas of governments and authorities. The EU's trade policy, spectrum for radio networks, fiber networks and multimedia are currently some of the hottest issues.

PHOTO: GETTY IMAGES



Contact takes the bronze

AWARD Contact Magazine has won a bronze Ozzie in the "Best use of illustration" category for its design for the article on free telephony in issue 5, 2008. The Ozzie Awards are organized every year by Folio Magazine and represent the largest global competition within magazine publishing. Ebba Berggren illustrated the winning entry.

Help for Haiti

INTERNAL Follow the work being done by Ericsson employees and volunteers from Ericsson Response in Haiti on the Haiti Earthquake Relief blog. It includes information from Market Unit Central America & Caribbean about the situation following the January 10 earthquake, which is thought to have killed up to 200,000 people. Employees are encouraged to share their thoughts and questions about the situation. You can find the blog at: ericoll.internal.ericsson.com/sites/Haiti_Earthquake_Relief/default.aspx Source: *Ny teknik*

Acquisition

INTERNAL Ericsson has bought Italian consultancy firm Pride Spa, which works with systems integration. Pride Spa, which has about 1000 employees, will strengthen the services offering, and increase the employee headcount to 40,000 services professionals. Ericsson has acquired five consultancy firms within systems integration: Audiolog in 2004; Telecaoss in 2005; Tusc, 2005; HyC, 2007; Bizitek, 2009.

Traditional party in Stockholm to honor staff

The evening after the Nobel Prize winners and royalty wined and dined at Stockholm's City Hall, it was Ericsson's turn to take over the Blue Hall.

PARTY The 66th annual "Gold Medal Party" was held on December 12 to honor employees who have worked at Ericsson for 30 years.

Nobel Banquet

This event is usually held a few days before the Nobel Banquet and acts as a trial run for the waiting staff, with parts of the secret Nobel Menu served to Ericsson's "gold medalists." But this year, Ericsson's party clashed with another city hall



PHOTO: PETER NORDAHL

Three of this year's "gold medalists": Marie-Louise Flack from Katrineholm, Susanne Munther from Kumla, and head of HR & Organization, Marita Hellberg, Kista.

event, and the "Gold Medal Party" had to be moved back.

11,134 medalists

After an opening speech in the Golden Hall by Marita Hellberg, head of HR & Organization,

medalists received gold watches and bracelets. Hellberg was also one of the 164 medalists this year. In total, 11,134 people have received this award since 1943, when the company instituted the honor.

The evening menu was traditionally Swedish and consisted of Västerbotten cheesecake and fillet of venison. Dancing, with music by the Starck-Holmberg band, followed the dinner.

☒ Sofia Falk

"Yes, Chinese vendors may have changed the game, but it has only got us to work harder and be more cost efficient."

Jan Frykhammar on the increasing competition from Huawei and ZTE. Source: India Times, December 7, 2009.

By the way...

NOTED ... **The new Security Sally** online course is now on the intranet. Visit: Internal.ericsson.com/page/hub_inside/support/security/index.jsp.
... **Håkan Eriksson**, head of Ericsson Silicon Valley, took part in US radio station 1590 KLIV's radio program "The CEO Show" on January 26. Go to kliv.gotdns.com/kliv/MP3_Audio/01_26_10_CEO_Show.mp3 to listen to the show.
... **Magnus Mandersson** is the new head of Business Unit Global Services and **Rima Qureshi** is the new head of Business

Unit CDMA Mobile Systems.
... **Thanks to an** improved dialog with customers, Ericsson received a score of 71 out of 100 in the 2009 Customer Satisfaction Index survey.
... **You can watch** a video clip in which Carl-Henric Svanberg hands over to new CEO and President Hans Vestberg. Search "Whiteboard_Vestberg.wmv" on YouTube.com.
...**operator 3** Scandinavia is building the world's fastest 3G network this year, supplied by Ericsson.

NEW CONTRACTS

- ▶ **France.** Two new contracts – for microwave and multi-standard radio (MSR) solutions – were signed with French operator Bouygues Telecom in December.
- ▶ **Romania.** Ericsson has won a five-year managed services contract with Romanian operator Romtelecom. The contract is the first of its kind for Ericsson in Romania and includes managing part of Romtelecom's daily network maintenance. About 400 Romtelecom employees will be transferred to Ericsson as a result.
- ▶ **Norway.** Mobile Norway has selected Ericsson as

its main partner to expand its nationwide mobile network to cover 75 percent of the Norwegian population and to contribute towards greater competition within infrastructure in the country.
▶ **China.** Ericsson has signed a three-year contract with Hutchison to test its mobile phones. The operator chose Ericsson because it already manages Hutchison's networks in the UK and Ireland. The testing will include all types of mobile phones, as well as third-party applications and USB modems for mobile broadband.

E-readers win territory

With the ongoing success of the Kindle, an American e-book reader, competitors are starting to feel the pressure. Ericsson's contribution to the development is an HSPA module for Sony's new e-reader.

BUSINESS "Even if I lived for 100 years and read 100 Harry-Potter-sized e-books every year, I would still have room in my e-reader," says Jorge Luis Zapico, an early user of the e-reader. "That says a lot about how little space an e-book takes up and the possibilities of this technology."

Zapico bought his e-reader just over two years ago, during a trip to the US. They are still relatively rare in Sweden, as in much of Europe. E-readers were relatively unknown in the US, as well, only two years ago.

"When I sat on the subway in San Francisco, people came up and asked what sort of gadget I was holding," Zapico says. "And that was in technophile California, where so many lifestyle gadgets, such as the iPhone and iPod, were born."

"You don't have to be a technology expert

to like the e-reader," Zapico says. "After a while you forget it is an electronic device. The format – one book page at a time on the screen – is perfect for reading. It is easier to hold than a printed book and you can leaf through the pages with one hand."

Direct hit

Despite the advantages, the e-book is not taking off quickly. The offering is limited in comparison with normal books, and many regard the e-readers themselves as too expensive.

Yet sales of e-books are still rising, in Sweden by 13 percent over the past six months. In the US, where e-books are better established, the figures are naturally different. In 2009, for the first time, web bookshop Amazon.com sold more digital books at Christmas than printed ones.

For its part, Ericsson has signed an agreement with Sony to deliver an HSPA module for Sony's new e-reader, the Daily Edition. Ericsson's Mobile Broadband Module, the tiny card that provides HSPA, has previously been sold to computer manufacturers such as Dell, Toshiba and LG.



PHOTO: PERNILLE TOFFE

Jorge Luis Zapico is an early adopter of the e-reader. He says the advantages are the storage capacity and that they are easy to use.

The Sony Daily Edition is the first e-reader to contain the Ericsson card.

Anders Hörndahl, head of product sales, says: "HSPA brings new business opportunities. This agreement is special because it is a direct contract between Product Area Mobile Broadband Modules and in this case Sony. Normally the market units take care of the sales process. We deliver the modules to Sony on a weekly basis under the contract, so the better the Sony e-reader sells, the more modules we sell."

So far, the new Sony

Daily Edition has been launched only in the US, with AT&T as the operator. There are plans for a global launch, but Hörndahl says it is too early to say when that will be.

New opportunities

Jorge Luis Zapico sees a need for more, smaller e-book publishers to speed up development.

"It should be a business opportunity in itself, once agreements on electronic rights are sorted out: start an e-book publisher, invest in quality texts and make it easier for authors to be published," he says.

☒ Sofia Falk

Hello...



PHOTO: JESPER MOTT

... Shoji Nemoto,

head of Technologies at Networked Products and Services at Sony, who is currently on a promotional tour for its new e-reader Sony Daily Edition. Ericsson Mobile Broadband Modules supplied software for the e-reader and the module that enables 3G connection regardless of the reader's location.

Why has Sony developed the e-reader?

We wanted to offer an alternative to traditional books, newspapers and magazines. An e-reader is easy to carry and you can get new content whenever you want, in any language.

What are the advantages of Sony's cooperation with Ericsson?

Ericsson has knowledge we don't have, such as network technology. It also has communication with the operators. Sony stands for high-quality electronics and Ericsson adds first-class mobile technology. It's a very good cooperation.

What is the potential for this new e-reader?

We're seeing greater interest in this type of electronic gadget because it's a step in the right direction in terms of thinking green, as well as in other respects. I don't know if e-readers will wipe out the traditional book. But I see a breakthrough for them in the market, such as in schools and universities, where course literature is usually expensive for students.

☒ Sofia Falk

HOW AN E-READER WORKS

- ▶ The screen is not backlit, but rather uses e-paper, so the type can be seen even in strong sunlight.
- ▶ So far, there are only black-and-white screens.
- ▶ Content can be

- downloaded from e-bookstores such as Ebookstore.com, Barnesandnoble.com and Ebookstore.sony.com.
- ▶ Sony Daily Edition works with both PCs and Macs, and costs USD 399.

Hello...



... Janna Lundqvist,

one of the 21 participants in Ericsson's Excellerate Global Management Program and one of the few who received a "perfect evaluation" for her work with customer Uninor in India. Excellerate is an 18-month management training program for potential managers, comprising both theory and work experience.

What made you apply for the Excellerate program?

I had been working with consulting at the Swedish Trade Council and wanted to go to a major company in an industry of the future. The Excellerate program has a good reputation and a very good set-up, which quickly gives you an understanding of the company and the industry. It also provides good opportunities for advancement.

What does a "perfect evaluation" mean?

At each posting, your efforts are evaluated according to several criteria. Uninor in India was pleased with all areas of my job. This was particularly pleasing because I wasn't just representing myself in my eight months with the customer, but also Ericsson. It's also rewarding to get confirmation that you've been doing a good job.

How do you apply for the Excellerate program?

Online at ericsson.com. Applications are open to people already employed at Ericsson, as well as external applicants. You apply at least six months before the next program begins, and there are interviews and elimination processes along the way.

☒ Sofia Falk

Sign online for ethics code

In March, all of Ericsson's 82,500 employees will confirm that they have read and understood Ericsson's Code of Business Ethics.

BUSINESS ETHICS The purpose of Ericsson's Code of Business Ethics is to summarize the company's basic policies and directives, make them easy for employees to access and make them visible externally. Lars Ihlar, who is responsible for ensuring that employees sign the code, says this written confirmation does not represent increased responsibility for employees; it is merely a reminder of each individual's responsibility to follow the code.

"The code is important to all of our operations and we're spending a lot of time ensuring that everyone reads and signs it," he says.

The code covers the importance of following laws and statutes that concern Ericsson's operations and financial reporting. It also gives details on how to protect information about Ericsson's operations, customers and suppliers,

and about how to deal with company property.

E-mail from CEO

However, the code contains more than just guidelines on how to run the business externally. It is just as important for employees to treat each other well, respect human rights and find suitable ways of resolving conflicts.

All employees will receive an e-mail message from Ericsson CEO and President Hans Vestberg with an invitation to read the code and confirm that they have done so by sending an electronic signature.

Common sense

But isn't the Code of Business Ethics just about following common sense? Anna Surtevall, at Group Function Legal Affairs, says that situations sometimes occur where the information in the code will be of great benefit. For example, not all employees may know that Ericsson has rules for board director positions and other external assignments.

Whistleblower

We also have a



PHOTO: SHIRONOSOV / ISTOCKPHOTO

In March, all employees will confirm that they have read and understood Ericsson's Code of Business Ethics.

whistleblower routine for how employees can report suspicions of financial irregularities anonymously," she says. "The code also includes day-to-day guidelines, such as what you can store on your computer. So in practice, the code will be a tool for everyone when it comes to dealing with situations where you are uncertain of how to act."

All employees signed the code in 2006, but Ericsson's management team has decided that this will now be repeated on a regular basis and on a global scale.

The purpose of

signing the code regularly is to remind all employees of the content in Ericsson's Code of Business Ethics, says Marita Hellberg, head of Group Function HR & Organization.

"Our ambition, and our responsibility, is to run our business with great integrity so that we can maintain our credibility with customers, partners, employees, shareholders and other stakeholders," she says. "By signing, we also want to ensure that we have a common understanding of our basic policies and directives."

☒ Staffan J Thorsell

TIME FOR EFFICIENCY

ORGANIZATION A new unit, Group Efficiency, has been established to identify cross-functional inefficiencies at Ericsson and act to solve these in order to make a positive financial impact.

"By focusing on customers, internal

operations and working capital we will pave the way for a more efficient company," Bengt Thornberg, vice president and head of Group Efficiency, says.

In order to ensure a healthy customer base by 2012, all unprofitable

accounts will be evaluated. The new unit will also drive cost and capital improvement programs.



Bengt Thornberg

Innovations rewarded in Kista

Next Generation Advertising, iVOD Mashups with VOD, and New Concepts for Mass Storage of Call Transactions were the winners in Business Unit Multimedia's Multimedia Innovation Competition 2009.

CONTEST The teams behind the winning contributions received their awards during the all-day Multimedia Innovation Day event in Kista on December 1.

1300 nominations The multimedia café and the lobby in the business unit building were transformed for the day into a demo center for the various innovation entries. There were also a series of seminars and discussions centered on



PHOTO: DAVID FRANCISCO

Multimedia Innovation Day was held at Business Unit Multimedia on December 1, ending with the Multimedia Innovation Competition 2009 awards ceremony.

the innovation theme. The three winning teams received their awards following a lively speech by President and

CEO Hans Vestberg on how investments in innovations are positively impacting Ericsson's financial

condition. The winners were chosen from a pool of 1300 nominations, and each team won SEK 50,000. Winning the contest also brought the winning teams one step closer to possibly developing their prototypes into commercial products.

Linking together Anjali Paul, one of the project managers behind the competition, said the competition was a great success in fulfilling its goal – encouraging innovation.

“Innovative ideas only have a chance of success when you combine technological expertise, well thought-out business ideas and knowledge about market demand right from the start,” she says.

☒ Sofia Falk



Visit the CEO

INTERNAL CEO and President Hans Vestberg now has his own website on the intranet. On “You, Me, We – CEO Space” you can be informed, interact and become inspired. Watch a video clip where Vestberg shares his thoughts about the challenges of his new role. The site will be constantly updated. Go to: Ericoll.internal.ericsson.com/sites/CEO_Space

Multi-tool mobile phone

SURVEY The French mobile operators' industry organization Afom did a survey on what mobile users use their phones for, apart from making calls. The survey showed that 41 percent use their mobile phones to light their way in the dark, 62 percent use it as a camera, and 31 percent make their own videos. Another 23 percent surf the internet with their phones and just as many play games on them.

Source: AFP

Festivals as PR opportunities

The Telefónica Campus Party is a unique festival-style conference where Telefónica promotes its global developer program. The tour kicked off in December in Mexico City and is visiting several places around the world.

INNOVATION “I have never seen anything like it before,” says Elena Fersman, product manager for developer offerings at Business Unit Multimedia, and part of the Ericsson team that was present at the campus party. “They meet in a giant hall filled with computers and programs from mid-

afternoon until midnight. Afterwards there is a dance party that lasts until five in the morning.”

Hot market As the applications market becomes increasingly competitive, developers are looking for new ways to get their creations onto it. Events such as the campus party help entrepreneurs and operators meet.

“By being present at these kinds of events, we

PHOTO: CAMPUS PARTY MEXICO



The Telefónica Campus Party, a festival-style conference, encourages a new way for developers and operators to meet. The event was free of charge for developers and many of them slept in tents in the festival area.

are helping our customers in their efforts to reach out to the developer community,” Fersman says.

☒ David Francisco

Read more at Ericsson. com/developer/sub/articles/other_articles/100113_campus_party.

43
... percent of the companies that participated in a US survey about the use of social media say that the tools now form an important part of their marketing strategies, according to the University of Massachusetts.

3 HAVE THEIR SAY

What do you do (or try to think of) to protect the information you work with and minimize the risk of sensitive company information ending up in the wrong hands?

► **Dmitriy Andreyev, senior engineer, Kazakhstan**



I have taken four or five training sessions about

security in the past two years. The tasks and examples in every new version of Security Sally have improved constantly. The knowledge you gain is invaluable, particularly at a time when all business aspects of Ericsson are very attractive to competitors around the world.

► **Martha Lozano, customer solution management, Italy**



To protect information you must be aware and regularly

visit the intranet security site for new information and examples to follow. I am always very careful if I am making a presentation at a customer's premises: I don't carry any internal information on my back-up USB pen or leave anything on a non-Ericsson PC.

► **David Pitout, implementation manager core, South Africa**



I always lock my PC when not at my desk, and I do not keep

sensitive material lying on my desk. I don't talk about sensitive issues with the wrong people. Finally, I file all my work.

☒ Jenz Nilsson

A DAY WITH ÅSA HEDIN

Weaving a web



Åsa Hedin works at Ericsson's factory in Katrineholm, Sweden, and her job title is "water spider." This means that she supports the material handlers, solves problems and maintains an overview of all the material used in the production process. You could say that a waterspider "runs around above the production line," as Hedin puts it.

Åsa Hedin's job title is "water spider," which means she maintains an overview of all the material used in the production process.



PHOTO: GUNNAR ASK

05:30 I wake up and start the day by getting the kids ready for either daycare or school.

07:50 I park the car and come in to work.

08:00 I check my e-mail.

08:15 My boss lets me know about the sequence list of the production flow, and we get information about possible

disruptions that may have taken place yesterday evening. My manager focuses on balance differences in the warehouse.

08:25 E-mail conversation with our circuit-board manufacturing team.

08:45 I enjoy breakfast in our nice canteen.

09:05 I start the circuit-board inventory because that issue came up at the morning meeting.

10:00 Meeting: Value Stream Mapping (VSM). We continue to discuss better solutions for labeling cables, as well as changes in flows.

10:35 I do some problem solving in the production line con-

cerning instructions. I will give feedback to Lean Engineering on Monday.

10:50 I inform the Material Value Stream team of the most important points that came up at the VSM meeting.

11:00 The circuit-board inventory continues.

11:40 Lunch.

12:20 I prepare for a meeting.

12:30 The Site Multiskill meeting. This is an information meeting with updates on the progress of those involved in Katrineholm's Site Multiskill project, in which you learn several tasks within the same

site. After that we have a coffee break.

13:30 Value Stream Team meeting.

We sit down and talk to the manager about how the week has been and about the coming week. There are three of us who are water spiders, and we sit together and talk about what we're focusing on at the moment. All three of us have a different focus every day.

14:00 Meeting with manufacturing planners, the Main Storage staff and the Lean Engineering group. We look at what we can improve in the flow and how we can make it best for all those involved.

14:45 Shift meeting. I go home early; today our youngest child is being vaccinated.

☒ As told to Sofia Falk

This is Åsa Hedin

- Age: 34
- Years at Ericsson: 4
- Family: Partner, and a family of five children: Christoffer 12, Oscar 9, Robin 7, Simon 6 and Jesper 5.
- Hobbies: Being outdoors, renovating our home.

Åsa prefers:

- | | |
|---------------------|-----------------|
| City | ✓ Countryside |
| Books | ✓ Morning paper |
| ✓ Evening at home | Evening out |
| ✓ Individual sports | Team sports |
| ✓ Culture | Sports |

PHOTO: WWW.ERICSSONHISTORY.COM



Training cassette player from Ericsson

LOOKING BACK This cassette player was used for training industrial employees. Designed simply to play cassettes, it was fitted with a counter and a track finder. This meant the tapes could be stopped automatically at each lesson and let the user find the right track each time.

The educational system, known as Training Within Industry, was developed by the United States Department of War during World War 2. This photo was taken in 1962.

Source: www.ericssonhistory.com



PHOTO: EASY ENERGY

Charging with the pull of a string

NEW GADGETS A new way of charging your mobile phone, MP3 player or GPS device has come onto the market. The company Easy Energy is behind the new YoGen charger, which, when it is charged via a pull-string, stores the current in an inbuilt battery with 650mAh (milliamperere-hour) capacity. After that, you connect the charger to your mobile phone via a mini USB cable. The YoGen charger weighs 98g and costs about USD 40. Source: NyTeknik

“As long as you are in the right place and can make friends with people, in the end you will do business. You can send someone to Upper Volta and after a year an order will come from there.”

Kurt Hellström, CEO and president of Ericsson 1999–2003. Source: NyTeknik, September 8, 2009.

COMPETE AND WIN A PRIZE

CONTEST How carefully do you read Contact? The answers to the three questions below can be found in this issue of the magazine.

1. How many gold medalists (employees who have worked for 30 years at the company) have there been since the first Gold Medal party in 1943?
2. What is the name of the system or solution that Ericsson has delivered to several emergency services in Slovakia?
3. Ericsson divides end users for Connected-Home-related services into two customer groups. What are they called?

Write your answer after each question, put “competition” in the subject field and send your answers to contact.comments@ericsson.com no later than March 19. The winner will receive a luxury Ericsson Racing Team beach towel. If more than one person answers all the questions correctly, the name of the winner will be drawn from a hat.

The winner of the last competition was Jairo Ramos, Venezuela

Answers to last month's quiz:

1. e-health (mobile health-care)
2. 1987
3. The Hotline Pocket

What was happening this time...

...25 years ago

1985 Ericsson began sales of AXE to China and opened its first representative office in Beijing. Two years later, China signed its largest-yet telecom contract, for 200,000 AXE lines.

Sievert Kabelverk became Ericsson Cables AB. At the same time most of the business was moved from Sundbyberg in Stockholm to Falun (power cable) and Hudiksvall (telephone cable).

...10 years ago

2000 The Ericsson R190, a dual-mode mobile for GSM and satellite, was tested in the new Asian Cellular (ACS) network,

...5 years ago

2005 Ericsson's acquisition of Marconi was announced in October and finalized in January 2006. This acquisition strengthened Ericsson's position in fixed-line broadband access and optical transmission products.

Delegate more

WEB SERVICE The latest backlash to the pulsating social life on Network 2.0 is to have your Facebook, Twitter and MySpace accounts erased with the help of another web service. Enter your login details into the Dutch site Suicidemachine.org, sit back and let the machine take over. Using your password, Suicidemachine.org erases your pictures, contacts and the rest of your internet alter ego while you watch. Ironically, this site has now become a community in its own right, for all those who have taken the plunge.

Source: New York Times

25

... years - this is how long we keep our mobile phones on average, according to ConsumerLab Infocom Study 2009.

“Our KAMs conduct the orchestra”

New CEO and President Hans Vestberg is sure that Ericsson will continue to win customers, maintaining its position as the world’s best end-to-end provider of communications networks and becoming a successful IP company. To succeed, the company will become an accomplished, philharmonic that is orchestrated by the KAMs.

Hans Vestberg believes you should not change a winning concept. He views the future of the telecom industry in the same way as Ericsson has done in recent years: more countries, people, businesses, and devices are becoming connected to networks. Ericsson is talking about 50 billion connections by 2020.

Modern networks are being developed to manage the traffic and all these devices. Mobile and fixed networks are converging and being built on IP technology. This change places demands on those who will transform, integrate and manage the networks but also on the systems, processes and capabilities around them.

“This trend will accelerate and this represents a paradigm shift for us,” Vestberg says. “We’re moving away from mainly rolling out networks to upgrading and modernizing customers’ networks, processes and systems, and making them more efficient.”

Vestberg adds that products will remain a central part of Ericsson’s offering.

“I can’t see anything to suggest that we shouldn’t be an R&D company that makes products five years from now,” he says. “There is no way that we will give up our technology leadership.”

All this means that Ericsson will continue to reposition itself, from having been a mobile expert that gets paid for hardware in the form of base stations to being much more.

“We’re gradually changing our business to be more about software, professional services and multimedia, in both fixed and mobile networks,” Vestberg says.

This is what lies behind the gradual transformation of Ericsson in recent years. The company has invested in IP, professional

services, multimedia as well as next generation wireless technology.

“Our big challenge is to bring all of our offerings out to every customer,” Vestberg says. “Now, the time is right to sell everything and sell end-to-end. We’ve come a long way but we have some way to go. If we succeed, it will be a fantastic story for any business school.”

What does Ericsson have to do to succeed?

“We have identified five areas to focus on. Our proactive change work will make us a successful company though it won’t happen overnight,” Vestberg says. (*Read more about these focus areas in an article on the intranet – see info below.*)

“Customer first means making our KAMs orchestrate and position the rest of the company to support them with market-driven offerings that will create customer value.” Our KAMs must have support from experts who can help them in different areas, from colleagues who can quickly answer their customers’ questions, and from knowing exactly what they can promise in the form of deliveries. “Go-to-market is a key priority in 2010, and as part of that we have the strategic focus area Customer Engagement, the new regional structure, the new common core as well as Ericsson’s rebranding,” Vestberg says.

“Our three key assets – technology leadership, professional services capabilities and global presence – enable us to deliver superior value to our customers.

“We are the technology leaders in the industry, we have a complete IP portfolio but we still need to embrace the IP paradigm shift in all corners of the company as well as strengthen our customers’ perception in this area.”

In recent years Ericsson acquired IP companies, launched the Ericsson Academy for IP Networks and LTE, build IP-centric technological platforms and established itself in the IP capital, Silicon Valley. “We have done so much but we still have a way to go.

“We need to establish Ericsson as the partner of choice for operators to modernize their business in line with this new IP, convergent reality.” Today there is no single credible player to take on this gigantic project. This is a huge business opportunity, and there is a struggle going on among companies trying to capture this position.

“We are the clear leaders in services such as systems integration, managed services and advice. We have over 40,000 professionals and a fantastic track record in building, transforming and managing networks.

“We need to emphasize the power of our combined assets, products and services. That’s what will enable us to create unique offerings and differentiate ourselves in the market place. We have all three, plus good customer relations with operators who will want to shift their networks to IP. Few have such a strong position as we have.

“For example, we beat Huawei when TeliaSonera was choosing its LTE provider in January, and one decisive factor was the price of the combined package with products and services. We have taken these products and services to a mass scale, which is a clear competitive advantage. The competition is fierce, but we have good grounds for feelings of self-confidence.”

Note: Read an interview with Hans Vestberg on the intranet, where he talks more about the competition and his five focus areas.

Text: Jonas Blomqvist Photo: Stefan Borgius

HANS VESTBERG

- ▶ **Age:** 44
- ▶ **Born:** Hudiksvall
- ▶ **Lives:** Stockholm
- ▶ **Family:** Wife and two children
- ▶ **Background:** He has been working at Ericsson since 1991. His previous positions within the company include cfo in Brazil and North America. He has also been head of Market Unit Mexico, head of Business Unit Global Services and cfo of Ericsson.
- ▶ **Other information:** Chairman of the Swedish Handball Association and former top handball player.
- ▶ **Free time activities:** Spending time with the family, playing handball, running.





“Our family lifestyle is such that we wanted to reach each other no matter where we were or what we were doing.” I think we communicate more than the average family.”

Jari Arkko

DIGITAL HOME

Many dream of having a digital home, but operators and vendors are slow in meeting the demand. **The biggest obstacles** are a blinkered approach and individual ownership. Ericsson has taken **a holistic approach** to the situation, introduced the Connected Home Gateway, and handed consumers the key to realizing their dreams.

Home comforts connected



HELSINKI
FINLAND, EUROPE

When it comes to connectivity in the home, few people can match Jari Arkko. He has designed a network inside his three-storey house near Helsinki, Finland, that rivals some small towns in delivering convenient services.

You would never know it by looking at it. The ground floor is spacious and homely, with comfortable leather furniture, a piano and several filled bookshelves in the foyer. The kitchen has a table large enough to seat the family of five, and all the regular appliances you find in a modern home.

His toaster, however, is more than a regular appliance; an inbuilt Ethernet connector enables it to send a message to his computer when the toast pops up. A small device sticking out of the Ethernet connector contains a heat sensor. If the temperature changes, Jari and his wife get chat messages through the home network.

Such sensors are available on the high street now, but not the thumbnail plugs you see in the walls at the Arkko house: these were invented by Jari and a friend.

“The toaster is a bit far out,” says Jari with a self-deprecating smile. “It’s ►

DIGITAL HOME



It's not visible to the naked eye – but in the Arkko family kitchen most things are connected.

Did you know that...

...ConsumerLab divides consumers for Digital Homes into two groups. **New Homers** have recently set up home and have an uncomplicated attitude towards technology. They want simple, inexpensive services. **Modern Selective Parents** are slightly skeptical about technology, curious about new solutions that make life simpler, but also demand straightforward applications.

“It feels safe knowing what’s going on in the house when you’re not there” Tarja Arkko

► just kind of fun to know that you can connect things.”

He built the home network for two reasons. First, he wanted to set up a network the way he likes it. He is a network engineer, so that comes quite naturally. Second, he says: “Our family lifestyle is such that we wanted to reach each other no matter where we were or what we were doing.

“Besides, my wife and I work from home, so we need a fast connection. We also travel a lot. So it’s good to know what’s going on in the house. We can see if there are leaks, or if doors have been opened, so we know that the kids are coming and going. It gives us confidence.”

Jari’s 16-year-old son Olli comes home from school and, as usual, goes downstairs and signs on to his multiplayer network games. “My friends usually say ‘wow’ when they come over, but then we start playing and it just works,” he says with a shrug.

The various family members chat quite a bit on an everyday basis. If Olli is downstairs gaming when dinner is ready, Jari or his wife Tarja simply send him a chat message. Olli says it actually brings the family closer. “I think we communicate more than the average family,” he says.

Jari’s favorite room is the sauna, where a monitor can display television, internet, pictures, or footage from the home security cameras, and speakers play internet radio or music from the family’s server. “I’m a Finn, after all, so I like to spend as much time as possible in the sauna,” he says.

There are three kilometers of Ethernet cable leading to a server room downstairs, several laptops, a couple of PCs, and sensors in the heating and water pipes. The Ericsson Connected Home Gateway is another feature – a solution that makes it possible for anybody to enjoy at least some of the services that the Arkko family have.

“I like the fact we can access all our media, no matter where we are,” Arkko says. “That makes sense for a lot of people, but in our case we’ve gone a bit beyond the Connected Home.”

Tarja laughs. “I can’t use this house,” She says. But Jari hastens to add that her work in business consulting requires fast connections if she works from home. And Tarja likes to get chat messages from the children as they come and go. “It feels safe knowing what’s going on in the house when you’re not there,” she says.

Jari believes that people will catch up with his kind of connectivity. But he will always be a step or two ahead. Next on his do-it-yourself list is extensive tracking of the electricity in his house. “We know the total amount of electricity we use each month, and now we want specific readings to be made for each appliance, so I’m thinking about putting sensors in,” he says.

For Jari, it is all quite simple: “This is my hobby. I do it because it’s fun.”

“The home no longer needs to be a set, physical place”

Thomas Näsström

ERICSSON'S CONNECTED HOME GATEWAY

- ▶ **The component** acts as a single entry to the home for IPTV and multimedia telephony. It is installed in the home and enables a safe connection between networks indoors and the network outside.
- ▶ **Consumers can use** their mobile terminals, such as mobile phones or laptops, to communicate directly with their computers, TVs or music devices in the home.
- ▶ **Connected Home Gateway** can be used with standards for telecom services and electronics, such as IMS, Open IPTV Forum and Digital Living Network Alliance.
- ▶ **Operators will be able** to offer telephony, IPTV and broadband via the component, but also a back-up service, which means that the consumer will be able to have all their digital content in one central unit in the home NAS (Network-Attached Storage Server). To enable easy access, this is also in the network – so if the consumer loses content on their hard disk, this can still be accessed from the service provider.

To create the kind of digital home that Jari Arkko has, you have to really enjoy it because these services are certainly not standard.

“**Jari Arkko** is way ahead of most people and has put a lot of time and effort into getting his home the way he wants it,” says Thomas Näsström, head of

Connected Home at Business Unit Multimedia. “But at the same time, I think we’ll start to see the services he’s using in more and more homes.”

Progress is slow, but Näsström is noticing an increasing number of households in which as many devices as possible are being connected. Many people are already using one central

storage unit for their digital media at home, which means that photos and films can be shown, and music can be played, on different terminals. For example, vacation pictures can be displayed on the family’s flat-screen TV in the living room. But the best illustration of how the digital home works is that your pictures, films and music are also accessible outside the home.

“**The home** no longer needs to be a set, physical place,” Näsström says. “Consumers will be able to ‘be at home’ even when they’re abroad, when they’re sitting in their cars or in their summer houses. Access to more services and content will increase our options and make our world even smaller.”

There are also many examples of control services today, such as alerts that send messages or images to the user’s laptop or mobile phone if something unexpected happens in the ▶

“PEOPLE WANT TO BE SPONTANEOUS”



Anders Erlandsson

Being able to access functions in the home via a mobile phone, and the possibility to stream music are two clear desires among Connected Home users, according to a recent study involving 14 digital homes in Finland.

In the first stage of the study, researchers from Ericsson ConsumerLab helped the participants turn their residences into Connected Homes, so that they could test the service and equipment during the week.

Anders Erlandsson, senior advisor at Ericsson ConsumerLab, says: “We moved hard disks and network modules, boxes, wires and adaptors into the participants’ homes. In some cases, they were living in a tiny apartment with just a kitchenette.”

All of the participants appreciated

the opportunity to access all their home entertainment from their mobile phones. Being able to access their home networks via the 3G network easily, and move music and images between their mobile phones and computers without needing to use cables, suited the participants very well.

“The biggest trend is that people are planless,” Erlandsson says. “People want to be spontaneous and Connected Home gives them the chance to live more without planning.”

According to the study, the most popular part of Connected Home was the opportunity to stream music. Many participants saw the opportunity to replace their mp3 players with streamed music as highly interesting – if the technology is user-friendly enough and reliable, that is.

The study also highlighted that the participants wanted the opportunity to turn on the sauna from their mobile phones and have access to office documents on their computers when traveling.

“We found that stable access to 3G is extremely important because music that jumps as a result of poor coverage is unacceptable to the user,” Erlandsson says.

When participants in the study got to choose between downloading and streaming music, most of them regarded downloading as unnecessary.

At the same time, the study showed that it is important for the user of the technology to feel confidence in the system, and this is lost if the system is not accessible, for reasons such as a lack of 3G coverage.

“Ericsson has a rich portfolio with products for broadband access, solutions for IPTV, telephony and multimedia” Thomas Näsström



A centrally located TV monitor allows Jari Arkko to control the electricity and heating system in his house.

► home. There are also operators who are planning to launch services that make it possible to manage your energy usage in the home, even if you are somewhere else.

So why aren't most homes digital? If they were, we would all have far more connectivity-related opportunities, and the operators could offer more new services. Ericsson's vision is for everything to be accessible – anywhere, any time and on any terminal.

The biggest obstacles to this are individual vertical solutions that are established by operators and shutting other players out of their territory.

“The result is that the operators' capital expenditure and operational expenditure both increase,” Näsström says. “For every new service or solution they want to offer households, you often have to have a new, separate platform or digital box. If we had open standards, the operators would be in a totally different situation; they would be able to offer completely new services without having to burden households with more boxes. Everything must be simpler and better packaged.”

The market is too fragmented to-

day. Despite that, things are starting to happen in terms of creating digital homes as more households are starting to discover the advantages of gaining connectivity. This has led to what is known as the “battle of the homes.” And there are plenty of combatants.

“The operators come from the communication side and they want to expand their offerings with more services in this area,” Näsström says. “Those offering cable TV come from the entertainment side, but they also want to get more services into the home. And then there are electronics companies like Apple, Sony and Samsung, who also want to give consumers a greater experience.”

All of these players are battling to become the master service provider to households. The operator would own a gateway in the home, through which the service provider can offer everything from telephony, TV and broadband to electricity and heating services. It could even extend to what Näsström calls “toaster supervision,” with household appliances becoming connected to the network. Then these appliances could send messages to the consumer when, for example, the toast is done or when they need to be turned off. In the end, the consumer will also be able to receive new services from other operators through the same gateway.

This is where Ericsson's Connected Home Gateway comes into play.

“Ericsson has a rich portfolio with products for broadband access, solutions for IPTV, telephony and multimedia, but also a growing range of services for the connected home, like storage, monitoring, measuring energy usage and health checks,” Näsström says. “We must get a stronger grip on

the whole thing, and then our own gateway will become important.

“We must not in any way limit the consumer experience, but improve it and give the consumer the opportunity to have totally new services and experiences in their home environment in a simple way.

Text: Staffan J Thorsell Photo: Jonas Persson

COOPERATION FOR STANDARDIZATION

Digital Living Network Alliance (DLNA) is a global collaboration between the consumer electronics market, the computer industry and mobile handset manufacturers. DLNA aims to help create open standards for networks and the sharing of digital media between computers, consumer electronics and mobile devices.

How does DLNA work?

The organization publishes design guidelines for new products and also provides a test and certification program to ensure that products are interoperable.

How does DLNA cooperate with Ericsson?

DLNA has more than 200 member companies and 24 promoter members, including Ericsson. All DLNA members can submit ideas for new projects according to the internal process. This means Ericsson can vote for or against a project proposal. If the board approves the new project, guidelines are written and published for it.

Households need Ericsson's Connected Home Gateway for the digital homes market to take off, says Thomas Näsström.



»» **France leads the way to the home** »»

DIGITAL HOME



Pierre-François Dubois, vice CEO and responsible for Very High Broadband at Orange Innovation Marketing Group, means that even though Orange and Ericsson share the same view regarding Connected Home services, the customer experience and general roadmap, they are taking different paths to get to the same destination.

France shows the way home



While telecom players in many countries are struggling to launch their digital home businesses, French operators are already looking at how to take them further, outside the home. France Telecom (under its brand Orange), SFR, Bouygues Telecom and Free have all found profitable technologies or business models – and sometimes both.

Technology roadmaps are often simply indicators of the direction something is taking. The route to the Connected Home is made more difficult by the potholes, slow-moving vehicles and detours of consumer behavior, business models and standards. But France might be a sort of GPS for the Connected Home, helping guide the solution into the future.

France's history of digital services started in 1982 with Minitel – an on-line service using a text-based screen, keyboard and modem, accessible over the telephone lines. At its height in 1999, Minitel claimed 25 million users or about 40 percent of the population. This laid the groundwork for the French to understand and appreciate digital services.

Another factor contributing to the uptake of digital services is broadband. France has Europe's second-largest subscriber base, with an estimated 18.7 million broadband subscribers. It seems every French home now has an integrated access device (IAD) – or home gateway – put there by an operator or internet provider. These boxes allow access to IPTV, VoIP, internet and media-center functionalities. It's important for operators to get into their customers' homes this way because, with an installed box, the operator gets closer to the customer and can reduce churn.

Upstart mobile operator Free effectively introduced triple play to France

by launching the first IAD in 2002. This put pressure on other operators to follow suit, increasing services for customers but decreasing profit margins for operators. Now France has become a leader in digital home services, the precursor to the Connected Home solution.

Pierre-François Dubois, vice president and head of Very High Broadband at Orange Innovation Marketing Group, says these box solutions became popular through their voice services. "A key selling point is that it has VoIP inside the box and is always on, so you don't have to turn on your PC and you can use your existing handset. By 2003, boxes had essentially squeezed out Skype and other soft telephony competitors."

To provide services beyond voice, Orange separated its Livebox solution from the standard IAD. In addition to internet and VoIP services, Livebox also offers IPTV. "We have about 7.5 million Livebox subscribers in France and we're able to manage the box from our back office, so we can download new software directly to the customer and offer new services."

Although services can include several multimedia applications, and be used outside the home, Dubois says this is not really happening – yet. "Our Livebox works with a network-attached storage (NAS) server that is always on and enables a kind of multimedia home library. This lets customers access their content on the NAS easily from remote locations."

The problem, Dubois says, is the same thing that made the box solutions possible in the first place: ADSL. The uplink bit rate is about 1Mbps, suitable for looking at pictures or listening to music but not for streaming movies with good quality outside the home. Even if the answer to this problem is Fiber-to-the-Home (FTTH), however, Dubois is not convinced that there is a strong enough demand from consu-

MINITEL

► **Launched in 1982**, Minitel had almost 9 million terminals – including web-enabled PCs – with access to the network by the end of 1999.

► **In the early 2000s**, incumbent operator France Telecom viewed Minitel as a complementary service to the internet, and internet giants such as AltaVista and Yahoo opened Minitel services as part of their French sites.

► **Originally**, it was like an advanced text-TV service with interoperability, where users could find phone numbers, train times or pay bills, but by 2003 it had thousands of services such as instant messaging, news, horoscopes, games, shopping and classified ads.

► **Virus-free** and hacker-proof, Minitel had security as one of its selling points.

► **In 1998**, Minitel generated revenues of about USD 824 million.

► **Minitel services** are still available over the internet at minitel.fr.

mers for personal multimedia content outside the home.

But neither Orange nor its competitors are letting a stumbling block like bit rates keep them confined to the home. Orange is making the transition to outside the home by using remote applications that run through its Livebox. One is a security application connected to a smoke detector that can send the homeowner an SMS or signal if it detects smoke.

Orange also has a service called Livezoom that helps subscribers monitor their homes with a webcam, and is testing an e-health solution. But Dubois says it is difficult to find a good business model for homecare services because healthcare is subsidized by the government and people aren't used ►

“We see the digital home as an open world, meaning other players, partners and suppliers will contribute to developing and launching the services” Yves Caseau



Orange has about 7.5 million Livebox subscribers in France and is able to manage the boxes from its back office.

Did you know that...

... the French ministry of the economy launched its 'Haut Debit Pour Tous' ('Broadband for All') certification, to help meet the government's Digital France 2012 objectives of making broadband services available to 100 percent of the population by 2012.

► to paying for these services. The operator is also working with partners in the energy sector to develop applications to administer energy consumption remotely.

Dubois says that while Orange and Ericsson share the same view regarding Connected Home services, the customer experience and general roadmap, they are taking different paths to get to the same destination.

In 2009 Bouygues Telecom raised the stakes in the French market by launching quadruple play (high-speed internet access, TV, fixed and mobile telephony) through its Bbox solution. Yves Caseau, executive vice president in charge of Services & Innovation at Bouygues Telecom, sees this as just the beginning of its future services.

He says: “We used to talk about ‘domotique’ or home automation. It’s what Ericsson calls the Connected Home and is where we see a key part

of the future of telecom. Until now, it has been a hard sell. Operators were worried it would fail, while subscribers were concerned about price and the ‘big brother’ association the concept conveyed. We believe the time has come now. We have the technology that resolves all those issues and prices are going down.

“We see the digital home as an open world, meaning other players, partners and suppliers will contribute to developing and launching the services. The Bouygues brand doesn’t have to be on everything.”

Having said that, Caseau points out that the Bouygues Group is a large consortium, strong in the construction industry. Here, he says, there is a vision within the company for cooperation between construction and telecom to build “smart houses with smart grids,” allowing energy-related services to be built into homes.

Caseau says: “We have a very gateway-centric approach to delivering these services and we believe that this gateway is the hub of the open home network. For example, a few years ago we approached our competitors and said we wanted to launch contactless services in France, which needs to be a joint-operator approach – an open approach. We would manage an application space on the SIM card that we rent to all industries, such as transportation, banking, retail and so on. This is an example of how the telecom industry is building the infrastructure that other third-party developers can utilize. We believe the same business model can be applied to the home gateway, where we will rent capability to energy, health, entertainment and many other services. Essentially, the gateway will become the home server of the future.”

Caseau is optimistic and sees a commercial launch of such services by 2013. But he says that digital home services must be integrated, so subscribers do not have to set up each device they add to the network. Services must be invisible; this requires a lot of engineering, but results in services that are so easy to use that the user doesn’t see them. And the third requirement is the ability to shut things down, to control the “always-on” aspect and ensure people aren’t stressed by technology.

For this vision to become a reality, Caseau sees several challenges. In addition to the control, invisibility and integration mentioned above, standards and interfaces are important, as are user-friendly services and ensuring that subscribers receive adequate assistance from operators.

It is apparent that many telecom players have the same vision of where they’re heading in regard to digital services and the connected home. Some operators might find it easier getting there by following France.

Text: Kris Walmsley Photo: Getty Images

Connecting to the Customer

A sales team in the UK has successfully turned around customer expectations for the digital home.

At first **Allen McCaskill**, director, Media Solutions, at Ericsson North Western Europe (NWE), and the proposition team (key account managers, solutions architects and marketing) encountered the same skepticism from operators regarding the digital home that many others in the Ericsson sales force have experienced.

The team decided to prepare thoroughly for customer presentations of Ericsson's Connected Home solution. "Based on the insight from Ericsson's ConsumerLab research, we focused on what consumers want and what is relevant when it comes to the digital home," McCaskill says.

Steve Davis from the Marketing team collected the UK specific insights from the ConsumerLab studies. He matched these with other customer studies carried out by operators and analyzed research in the local media landscape to illustrate the market opportunity.

"The combined knowledge derived from these studies is very valuable to us in sales situations," McCaskill says. "It also means we don't have to invent the wheel again and again. This proposition takes advantage of the great knowledge base that already exists."

Customer research shows many customers prefer a single media and communication supplier to provide all services including TV, broadband, telephony and mobile to the home.

McCaskill says this has been a key driver for business. "Instead of making vague statements such as 'we believe that,' we have been able to present facts, for example: 'We know that your customers are interested in the digital home and ready to pay for this service,'" he says.

According to McCaskill, more and more UK operators are starting to recognize the benefits and new business opportunities with Connected Home. This is mainly because the operators trust the information presented and know that they would get the same results if they were to carry out their own research.

In addition the team has put great effort into carrying out live demos of Connected Home, at workshops, roadshows, events and exhibitions. With Ericsson's Connected Home the consumer can turn to a single

supplier for support with all the different services included in the offering. McCaskill says that when operators get to experience the end-to-end solution live, something happens.

"When they recognize that this is the technology of the future they get very excited," he says.

To provide operators with tailor-made business proposals that are the perfect fit for their customers, the team works closely with key account managers within Ericsson.

"We want to give operators the incentive to become Master Service Providers, which means that they deliver a complete telecom and media service solution, including broadband, TV and fixed and mobile telephony to their customers," McCaskill says.

Jointly with the KAMS the team has been successful in early stage CIO/CMO Connected Home discussions which lead to Ericsson developing proof of concepts, trials & eventually commercial pilots. McCaskill says several clients' engagements are underway, pursuing these collaborative projects that lead to the sale of full commercial Connected Home Residential Gateway Software Licenses.

Note: Allen McCaskill and his colleague Steven Davis and their team were awarded Ericsson's Marketing & Communication Award 2009 for 'Customer Business Development' for MUNWE's Connected Home Proposition.

Text: Katarina Ahlfort Photo: Getty Images



Allen McCaskill, director – Media Solutions at Ericsson in UK.



The firemen put their equipment on and pull the doors on one of the fire engines open. A few seconds later they are gone and everything becomes quiet again. Thanks to the Ericsson Emergency Response system, the people of Slovakia today get help much quicker.



112 IN SLOVAKIA

When every second counts

The siren shatters the calm in the fire station and terrifies anyone uninitiated. If you are not going on the emergency call only one thing matters: do not get in the way. What occurs happens **by routine, but with intensity and at lightning speed.**

BRATISLAVA
SLOVAKIA, EUROPE

The fire station is in the middle of the city of Košice in eastern Slovakia. Four seconds ago, the firemen were sitting around the kitchen table chatting, albeit with the bottom halves of their uniforms on, but otherwise in T-shirts and socks.

Now they rush to put on the rest of their gear and open the doors of one of the fire engines while another two firemen shoot down the pole from the floor above. There is an emergency in the north of the city.

A few seconds later, they are gone and there is dead silence.

These days, Slovaks receive much quicker help in an emergency. This is

because the Ministry of the Interior has introduced a system that makes emergency services more effective. Until now, each emergency service had its own telephone number: 158 for the police; 155 for an ambulance; and 150 for the fire brigade. The new system means that all emergency services have the same number – 112.

Pavol Barát is shift manager at one of the coordination centers in the Slovakian capital, Bratislava. He is responsible for the staff who work here and the screens in front of him give him a constant overview of all the emergencies in the city. He says

“Ericsson was able to quickly adapt to the needs and concerns of our department”

Denisa Saková



A fireman during an emergency call at the fire station in Košice.

► that the functions that the new system provides have been effective in getting the police, fire brigade and ambulances to the right place quicker and with more information about what has happened. One of these functions is a geographic information system, or GIS, which collects and analyzes information about what a particular place looks like at a specific time.

“We have a huge advantage with such positioning services,” Barát says. “We can see where the call is coming from and what the quickest route is, and we can also follow and coordinate the various emergency vehicles while the emergency is in progress. We can also connect witnesses or those in an emergency directly to those services responding.”

The solution that is being used in Slovakia is Ericsson’s Emergency Response (see page 30). Ericsson has so far helped to establish eight regional coordination centers in Slovakia where the centralized solution, based on Ericsson’s CoordCom platform, is in use. The system is not yet the stan-

dard in the country, says Stan Vrba, Ericsson customer project manager for 112 in Slovakia, but it has led to a considerable improvement so far.

“The priority for emergency calls is still of course to send the right help as soon as possible,” Vrba says. “But before, people who needed help had to remember many different emergency numbers, and after that all the coordination during the emergency was done through separate telephone lines. Imagine how much longer that takes and the confusion it can cause. Now everyone is using the same platform for emergency services and is getting the same information at the same time, in real time.”

This is anything but a standard project and it has required Ericsson staff to be in daily, direct contact with staff at the Ministry of the Interior and at the various coordination centers. This is because there is a challenge in integrating a new system in already existing systems and operations. And when it

comes to something as important as emergency services, everything must work to perfection – all the time. While visiting the coordination center in Bratislava, it is obvious that Vrba and his colleague, Service Delivery Manager Milan Kapusta, know the staff at the center well.

The two Ericsson employees spend a lot of time here. When they enter the premises, it is easy to forget that it is the vendor meeting the customer. Jokes fly around before the informal meetings and discussions about the running of the project get underway.

Denisa Saková also testifies to the fact that close cooperation has been a critical success factor. She is General Director of the department which is Ericsson’s primary customer: the Ministry of the Interior’s department for informatics, telecommunication and security. It is responsible for the introduction of modern information and telecommunication solutions to end users such as police, fire brigades or ambulance services, to make their services to citizens even more effective and faster.

“Ericsson was able to quickly adapt to the needs and concerns of our department,” she says. “The Ministry of the Interior and Ericsson were in close cooperation when it came to coming up with a strategy and executing it from day one.”

Ericsson employees have also trained staff and people in charge at the control centers to use the system as part of the Ericsson Emergency Response solution.

One of them is Jaroslav Kašička, the fire brigade’s operational officer at the coordination center in Bratislava. He says that he believes that the system is making Slovaks feel safer.

“It’s about life and death,” he says. “With the much more effective communication and the improved overview that the system has given us, we have far better control of the course of events when there is an emergency.”

Text and photo: Staffan J Thorsell

Did you know that...

...“the critical hour” is a familiar expression among those who work on callouts in emergencies. It refers to the first hour of treating a victim, after which the rate of survival drops dramatically.



Stan Vrba

Fire brigade Operational Officer Jaroslav Kašička at the coordination center in Bratislava, where the right emergency services are being connected to each other across one system.



“Customers within industry and public administration are important for growth” Anton Dziak

“We had to be extremely responsive”



Ericsson's Anton Dziak together with the customer, Denisa Saková of the Slovakian Ministry of the Interior.

Introducing a common system for all emergency services in a country where each has had its own telephone number requires something special. At Ericsson in Slovakia, they realized from the start that this would be a groundbreaking project.

“We had to be flexible, extremely responsive and fully aware that it wouldn't work if we didn't go in with the attitude that everything is possible,” says Anton Dziak, Ericsson's key account manager for the project

with Slovakia's Ministry of the Interior.

The solution (Ericsson Emergency) is done over IP-based architecture, which means that all communication – voice, digital communication and analog communication such as push-to-talk – can be integrated via radio in the field.

In Slovakia, making ambulance, police and fire brigade services more effective has helped the country fulfill the demands and directives for emergency services issued by the EU.

Emergency services are part of the National Security and Public Safety area, where Ericsson contributes with solutions based on communication and systems integration. These include 112 systems, secure communication for authorities, such as the police and border control, and the protection of infrastructure.

Ericsson also has solutions for three additional areas outside the traditional telecom sector. One of these areas is electricity, water and gas, where the company provides intelligent solutions for meter reading as well as interactive systems. Another is transport, where the focus is on intelligent solutions to

THE SOLUTION

► **Ericsson Emergency Response, which is based on Ericsson's CoordCom solution, makes it possible to:**

1. Save lives and reduce human suffering
2. Preserve property to a greater extent
3. Reduce the impact on the environment
4. Manage all emergency calls cost-effectively
5. Work according to a predetermined process
6. Handle sensitive information securely
7. Make optimal use of communications resources, through IP.

improve traffic safety, reduce energy consumption and increase efficiency in cargo transport. The third area is media, where Ericsson is developing multimedia services for media companies.

“Customers within industry and public administration are an important area for growth,” Dziak says. “They are at least as demanding as our operator customers and thereby help us develop our solutions and knowledge.

“In these contexts we usually talk about complete solutions. With the help of our systems integrators we develop the solution from the customer's demands. But, and maybe most importantly, we then take full responsibility for the solution that we have developed and implemented, and continue to support the customer and make sure that the solution still works when adjacent systems change.”

Text and photo: **Staffan J Thorsell**

COORDCOM IN BRIEF

- **CoordCom** – Ericsson's Public Safety Communication Center – controls and coordinates the entire chain of events in emergencies, from identifying a call, to sending out the appropriate emergency service, to keeping the relevant parties updated with new information in real time.
- **The system** is made up of several sites, with hardware placed at many control centers. These sites are connected through an IP network.
- **The safety** and confidentiality of the system are guaranteed with the help of virtual private network (VPN) tunnels, a technology used to create secure

connections between two points in an open data network.

- **Through a Local Area Network (LAN) or Wide Area Network (WAN),** more control centers can also be connected to a system site, thereby giving them access to the same information at the same time.

SMART
CITY
SMART
LIFE

A city's investment in broadband
is proven to boost entrepreneurialism
and innovation, making life richer in
every way.



Unusual and useful

Ericsson has produced **a number of extraordinary products** throughout its history; things one would not immediately associate with a company in the telephony business. However, all had a clear and useful purpose. Here are a few interesting examples. ✉ Text: Katarina Ahlfort Illustration: Ebba Berggren

Time recording systems

Time reporting in the work place is not a new invention – far from it.

The well-known saying “Time is money” was at beginning of the 20th century said to be truer than ever, especially within industry.

The cost of materials is determined with comparative ease, but labor costs are more difficult to measure and can only be done by introducing an efficient system of time recording.

This was considered to work best using time clocks or time recorders. A separate card for each employee or piece of work was stamped or punched. This type of system was manufactured by Ericsson and became popular among companies and authorities.

Source: *LM Ericsson Review*, nr 3, 1924

Photo-electric burglar alarm system

The Ericsson burglar alarm had photo-electric cells and in the 1930s offered the best automatic protection against break-ins for apartments or entire buildings.

Banks, offices where money or other valuables were kept, museums, libraries, shops – especially jewelers – factories and houses all made use of the alarm.

The system was said to be “a means of protection that even the most scientific burglar was incapable of avoiding or rendering harmless.”

A small projector, the transmitter, sent out a cone of rays towards a cell sensitive to light. If the ray was interrupted by a person or object, the alarm sounded.

The infra-red rays were invisible to the human eye, and all the apparatus could be hidden..

Source: *LM Ericsson Review*, nr 1, 1934

Starting and time-keeping apparatus for race courses

Horse racing has always emphasized the importance of accurate starting and time keeping apparatus.

Because large sums of money are involved in bets and prize money, and fair results depend on an equal start, this new system by Ericsson was much welcomed in 1934.

Ericsson's installation included an amplifier, receiver and microphone amplifier and photo-electric machine. It was activated through poles around the course with protective nets and rubber starting tapes stretched across the track.

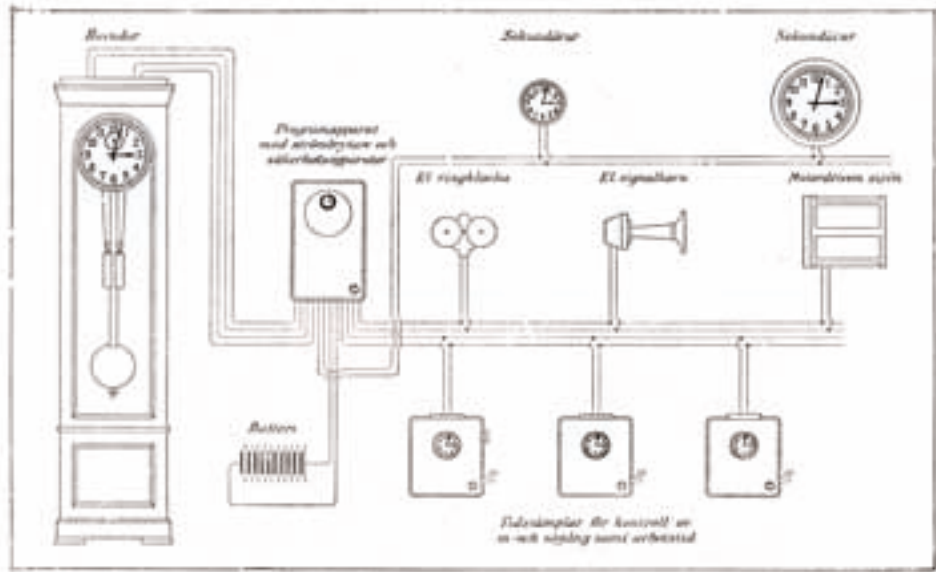
The finishing time of the winner was indicated by a chronometer with accuracy within 0.1 seconds.

The first installation on this system was at Sundsvall race course in Sweden.

Source: *LM Ericsson Review*, nr 4, 1934

Time recording systems

The main clock was regulated by means of a pendulum and was actuated either electrically or by weights, according to the wish of the purchaser.



Starting and time-keeping apparatus for race courses

Left, pole with starting apparatus; right, pole with protective net; between the poles, the starting tape stretched across the track.

Photo-electric burglar alarm system

Left, the transmitter, which is connected to the mains through a transformer; right, the receiver with the amplifier; center, the alarm apparatus; top left, mirror.



Photoelectric cells for moving staircase
The photoelectric system for the moving staircase at Fridhemsplan metro station.



“A means of protection that even the most scientific burglar was incapable of avoiding or rendering harmless”

Text from the marketing for the Photoelectric burglar alarm system

► Photoelectric cells for moving staircase in Stockholm Metro

Moving staircases swiftly and comfortably transported passengers to the platforms of the new Stockholm Metro when the system was first developed during the 1950s.

During busy periods the staircases ran continuously, but when traffic was slack, passengers automatically started the stairs by means of photoelectric cells.

Ericsson supplied the photoelectric cells, and had already over 10 years of experience in this field. One of the first installations of this kind was the moving staircase at Skansen open air museum in Stockholm, which is 43 meters long. The Skansen staircase, also controlled by photo cells, was opened in 1938.

Source: *LM Ericsson Review*, nr 4, 1952

Automatic warning signals at railway crossing

In order to reduce operating expenses, the Stockholm-Saltsjön Railway (Saltsjöbanan) decided in 1928 to replace level-crossing keepers with an automatic signaling system.

The level crossing east of the tunnel near Henriksdal station was close to the tunnel entrance, cutting off a view of oncoming trains, and was potentially dangerous. Therefore it was decided to use intermittent flashing signals combined with warning bells.

The lights on each side of the tracks showed a white flashing light which changed to red when a train was approaching, informing drivers and pedestrians that they were forbidden to cross the tracks.

Source: *LM Ericsson Review*, nr 7, 1928

The parking meter

A few European cities, including Stockholm, began to install parking meters in the 1950s. Ericsson designed a new type of parking meter: a slot machine selling time. One machine was required for each parking space.

When parking a car, coins were inserted in the meter according to the parking time required and the specific rate.

A crank handle was turned one or several revolutions depending on the number of coins, and a pointer indicated the parking time paid for. The Ericsson parking meter included a clock movement with pointer and signal flag.

The coins most recently inserted were also visible through a window, which made it impossible for people to cheat with fake coins without the risk of discovery.

Source: *LM Ericsson Review*, nr 3, 1954

Lidingö, Sweden, 1950



On December 3, Sture Lauhrén, an engineer at Telegrafverket, the Swedish public utility for telecommunications, and his colleague Ann-Margret Olsson drove to the island of Lidingö in Stockholm in a car specially equipped with some of the **first mobile-phone equipment**. Lidingö had been selected as the test area because its 90-meter-high water tower was suitable for the base station. The first call was made to the speaking clock service and, despite a crackly connection, one of the first attempts at mobile telephony in Sweden was a success.

Photo: Swedish National Museum of Science and Technology

Point to Point Communication

Instructions: Read the subject category and question. Start with the five-point question and continue to the right until you have an answer. When you have gone through all six categories and guessed a year for the picture below, calculate your total score and compare it with the maximum tally, which is 35.

Subject / Points	5 points	4 points	3 points	2 points	1 point
Technology Which technology?	It's a layer of molecules between transparent electrodes and polarizing filters.	It has replaced the cathode ray tube in many areas.	its first commercial use was in wrist watches in the 1970s.	This thin, flat panel is used to electronically display information.	The discovery of liquid crystal in 1888 is fundamental to its existence.
Geography Which city?	Its name means "Lion City" in the local native language.	In 1879 it had a private telephone exchange with 50 lines.	A cocktail named after it was invented in the Long Bar at the Raffles Hotel there.	The British East India Company established a trading post here in 1819.	This Asian city-state was the start of the fourth leg of the 2009 Volvo Ocean Race.
Industry Which company?	1983: a former basketball coach drafts the idea for this company on a coffee shop napkin.	It was affiliated, in various forms, with Verizon, MCI and LDDS.	It was the second largest US long distance phone company after AT&T.	It is now known for one of the biggest accounting scandals in US history.	CEO, Bernard Ebbers, was found guilty of fraud, conspiracy and filing false documents.
Culture Which artist?	This recording artist was born March 28, 1986 near New York.	Her father, Joe, has a career in telecom and currently owns GuestWiFi.	Virgin Mobile USA sponsored her North American tour that ended on January 24.	She is less well-known as Stefani Joanne Angelina Germanotta.	Fans have gone gaga over her and she won MTV's "Best New Artist" award in 2009.
Sport Which sport?	Sony Ericsson launched a mobile game in 2003 based on this activity.	Its punk and rebel ties made it an outcast sport until the X Games in 2000.	To personify Ericsson Multimedia at 3GSM in 2007, stunts were done in this sport.	Tony Hawk is the world's most famous person associated with the sport.	The equipment consists of a deck, trucks, wheels, bearings and hardware.
History Which year?	US scientists make a telephone call by "bouncing" their voices off the moon.	Known as the Year of Africa, 17 countries on the continent gain independence.	The first functional laser is demonstrated by Theodore Maiman.	At 43, John F. Kennedy is the youngest elected US president.	The Summer Olympics are held in Rome.

The picture

Which year was this photo taken?

- 5 points for the right year
- 4 points for the year +/- 1 year
- 3 points for the year +/- 2 years
- 2 points for the year +/- 3 years
- 1 point for the year +/- 5 years

TURN THE PAGE FOR THE RIGHT ANSWER.

Technology: Liquid crystal display (LCD). Geography: Singapore. Industry: WorldCom. Culture: Lady Gaga. Sport: Skateboarding. History: 1986. Which year (photo): 2004. Sony Ericsson has just launched its first 3G telephone. Z1010 and here it is tested in a store in Stockholm, Sweden.



PHOTO: ERICSSON ARCHIVE