

# CONTACT

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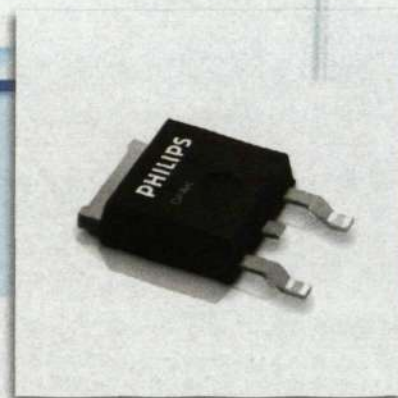
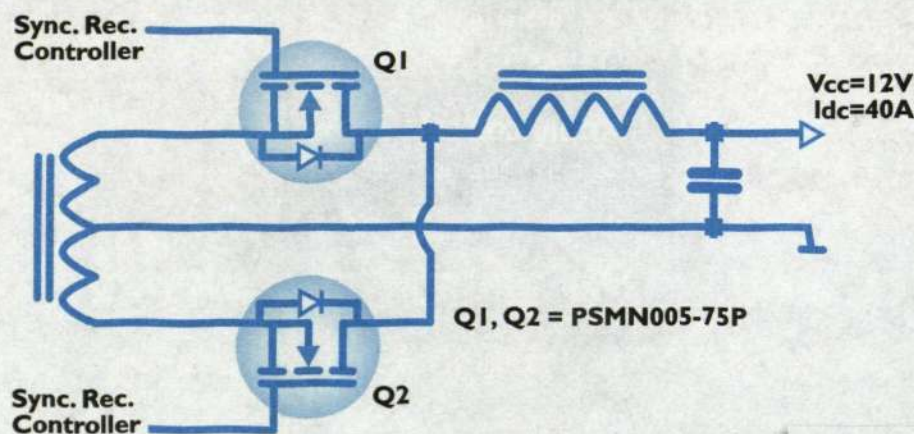
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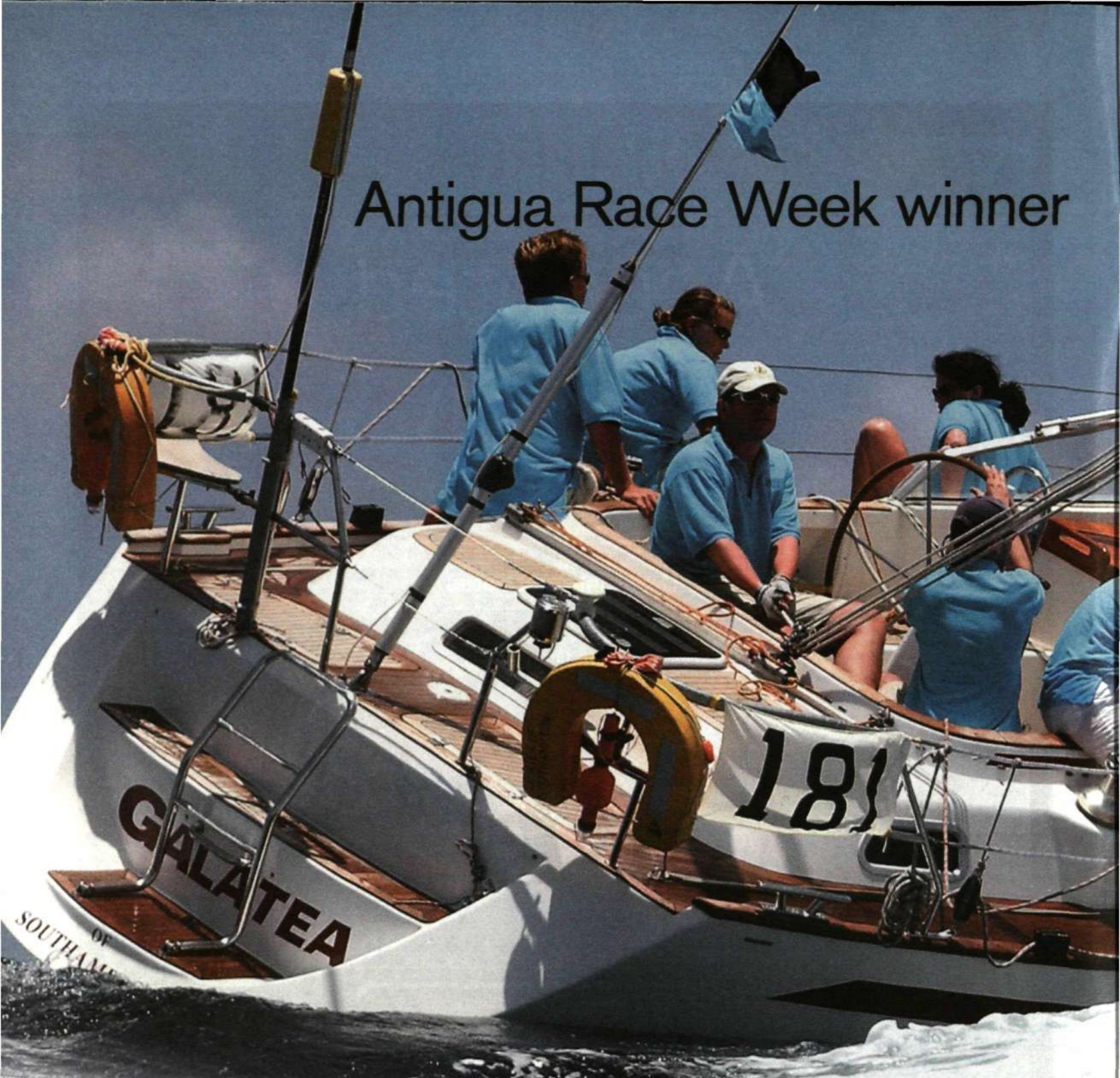
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# Antigua Race Week winner



Crewing their Najad 373 "Galatea", Will Collins and Gaby Hancock took on all comers in what is perhaps the most prestigious sailing competition in the entire Caribbean. They competed in a fully equipped cruiser, a Najad 373 designed for long-distance hauls and even sporting a windscreen to protect from buffeting winds and swelling seas.

But the intrepid duo of Collins and Hancock did more than just compete in this gruelling race – they won it too. In an open-ocean race lasting 5 days and covering a variety of stages, both the crew and the boat show their true mettle in competition against professionals and amateurs alike – and against Nature's elements.

The boats on the starting line represented just about every type and size, and most were meticulously prepared for ocean racing. After five completed races however, there was a winner – "Galatea". The Najad 373 is one of Najad's new range of fast and comfortable ocean cruisers.

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# IN THIS EDITION

<b>in the news</b> · Quick response after Katrina	7
<b>special report</b> · Mobile Media	8-16
<b>around ericsson</b>	17
Hot as the desert sand	18-20
<b>Ericsson's customers</b> · Nawras	22-23
Tough game in Kuwait	25
New way of thinking in ANZA	27
Enterprise message sets sail	28-29
New sales strategy	31
Far from the limit	32-33
<b>update</b>	34-35
Essay writes ticket to Geneva	36



## column

Henry Sténson  
head of Group  
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Communications  
and publisher of  
Contact

## The future is here

In this issue of **Contact**, we discuss an ability made possible by our changing times. Let's call it mobility – and Ericsson is right at the heart of events. But first allow me to take a look back in time; a long way back.

Through the centuries, mankind has gone through paradigm shifts that have enabled gigantic steps in development. Many of these large steps were attributable to new ideas and inventions that we still use today, and that remain hugely important to us.

If we observe how development has occurred in leaps and bounds, one must wonder about what earlier phenomenon created such effects. The first that springs to my mind is the wheel. The invention of the wheel and all its applications was a gigantic step for mankind.

The next item that occurs to me, when I try to find something comparable, is the boat or ship. Both the wheel and the ship helped increase efficiency, create new growth, and consequently, created a better existence for mankind. Just consider how trade developed over the centuries because of the wheel and the ship in all of their different forms. Was this not when globalization really began?

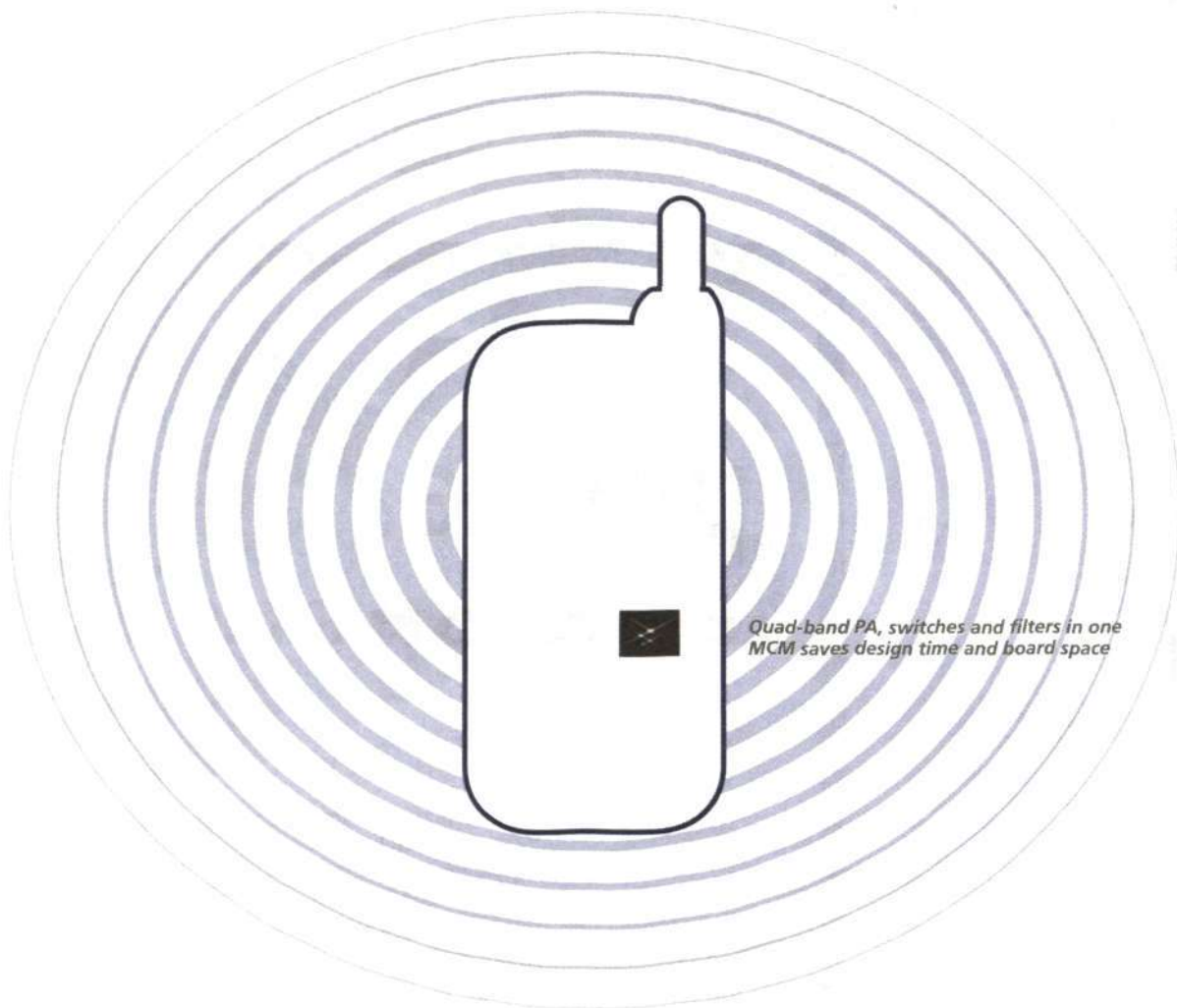
To that you can add the giant steps taken in the 1900s, first with the development of the car and later the emergence of air travel, allowing faster speeds and longer traveling distances. If one also looks at the progression of the modern automobile during the '50s and '60s, it too was a huge step; a sort of freedom machine for ordinary people.

With mobility, which in reality allows us to communicate with who we want, when we want and where we want, we have taken another step forward. Communication, once again, offers new possibilities for people all over the world. For example, today, with the push of a few buttons, a fisherman off the coast of Africa can find out where he should steer his boat to maximize his chances of catching fish. The list of similar examples is endless.

It's wonderful to work for a company that generates so much good for so many people.



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in the news: hurricane tragedy

text: kevin billinghurst

photo: pressens bild



Citing experience from earlier catastrophes, officials at Ericsson North America say the company is prepared to play a crucial role in bringing telephone networks back online in areas of the southern US ravaged by winds and flooding.

# Rapid response follows Katrina disaster

Ericsson is moving quickly to help re-establish communications in the wake of Hurricane Katrina in the US, as employees and the company open their wallets to help evacuees.

**Citing experience from** earlier catastrophes, officials at Ericsson North America say the company is prepared to play a crucial role in bringing telephone networks back online in areas of the southern US ravaged by winds and flooding.

"Our first priority is responding to requests from our customers for essential components to replace those knocked out by the storm," says Mikael Bäckström, head of services for Market Unit North America and a leader in Ericsson's efforts. "We are following initiatives taken by operators such as T-Mobile, Cingular and Centennial, who are working night and day to restore service."



Mikael Bäckström

As the drama unfolded in Louisiana and Mississippi, the LME board of directors happened to be meeting in nearby Atlanta, Georgia, with several key operators, including Cingular, BellSouth and SBC. That meeting, scheduled long before Katrina struck, gave Chairman Michael Treschow and CEO Carl-Henric Svanberg the opportunity to offer first-hand support to the three operators as they struggled to restore service in their operating areas.

Bäckström says deliveries have already begun from warehouses in the United States, and that microwave transmission equipment, especially the MINI-LINK system, is in high demand. New deliveries have been ordered from Sweden.

Ericsson Response, which has played a key role in establishing communications in catastrophe zones throughout the world, was preparing to deploy three container-based GSM systems that will enable communication among relief workers. As this issue of Contact went to press (Sept. 9), the containers were still in Sweden awaiting departure authorization from American officials.

Meanwhile, the immediate task of delivering food, water and shelter to thousands of evacuees gained momentum over the weekend. The final amount of Ericsson's direct corporate contributions to relief efforts has not yet been determined, but employees are already offered the chance to have their cash contributions to the Red Cross, Salvation Army or Humane Society matched by a company fund.

"I'm touched, but I'm not surprised, to see the generosity being offered by Ericsson people toward their neighbors who have lost so much," Bäckström says. "Where I live, in Plano (Texas), people

are opening their homes to family, friends and even strangers."

Having taken up his post as President and CEO of Ericsson's North American Market Unit days before the terrorist attacks of September 11, 2001, Angel Ruiz had a good idea what to expect when the scale of this event became known. "We immediately set up a core team to coordinate and centralize as much as we can, and our technicians went straight to work installing equipment in the area," Ruiz says. "We expect this activity to be going on for months, and that's what we're preparing for."




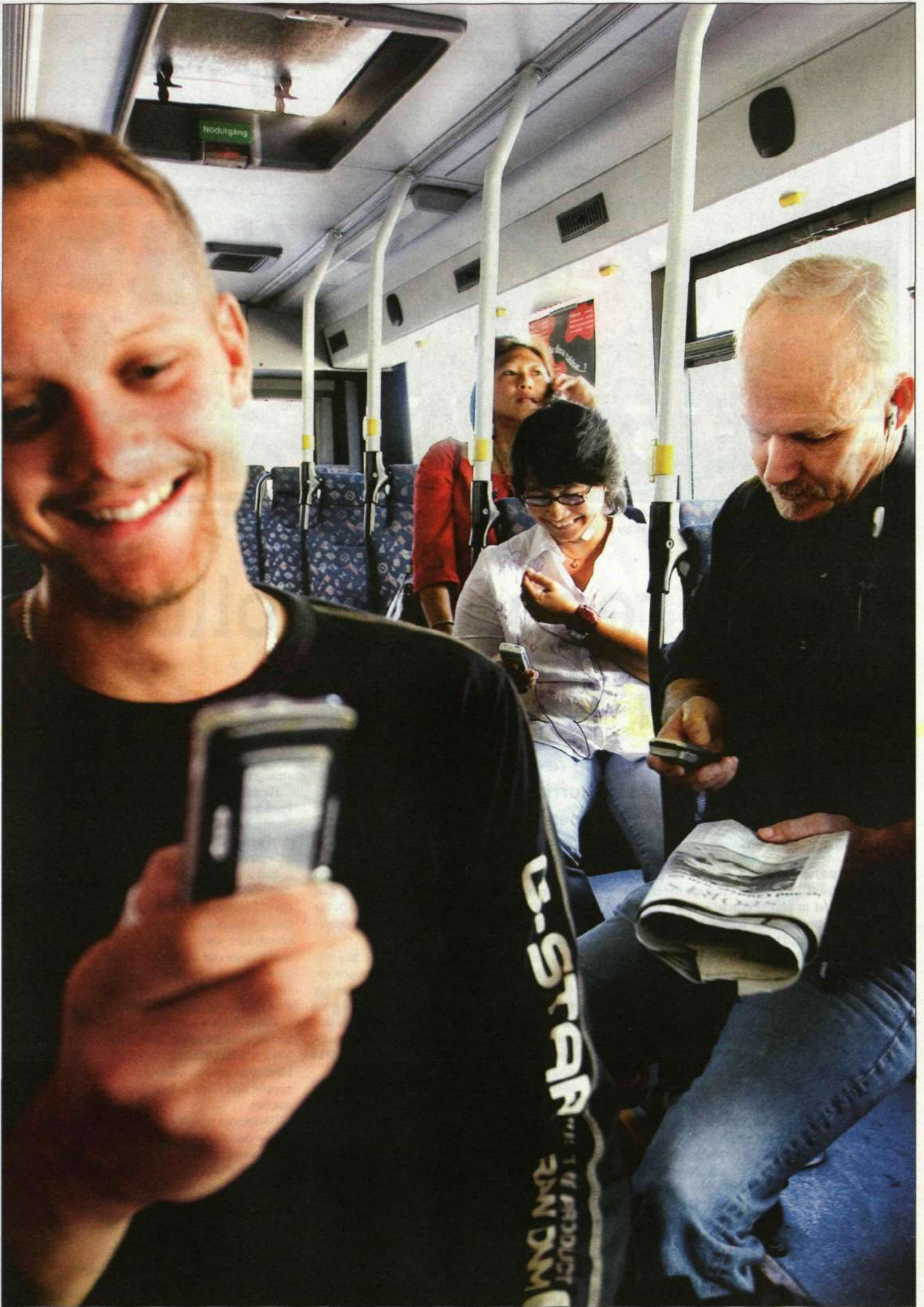
Angel Ruiz

The core team coordinating Ericsson's catastrophe response includes: Juan Valencia, customer solutions; Ivan Djakovic, customer support; Torbjörn Nestenius, project management; Roger O'Horgan, supply; and Chris Byford, management of subcontractors.

Bäckström says: "Our job is to coordinate resources so people are well-equipped when they enter the disaster area, and safety has to be our first priority. We are well prepared, and we are responding quickly. We have more people ready to get to work on very short notice."

More info:

 [http://internal.ericsson.com/page/hub\\_northamerica/index.jsp](http://internal.ericsson.com/page/hub_northamerica/index.jsp)





text: jonas blomqvist &amp; johan kvickström photo: gunnar ask

The digital revolution is transforming the media market, an area where Ericsson expects **to grow within the coming years**. TV, radio, music, magazines – most forms of content are available on the internet, the worldwide digital superhighway. The telecom industry expects the next part of the journey to be an off-ramp leading straight into the consumer's pocket.

# A DIGITAL AGE

As a long and intensive workday ends, a man sinks into the bus seat on his way home, takes out his mobile to watch CNN news and thinks: "Great, I'll have some time to buy groceries before its time to do the laundry."

In the seat behind him sit two teenaged girls listening to music. As one busily downloads the latest hits to her mobile, her friend watches the latest video from Madonna.

Further forward in the bus, an older woman uses a browser through his phone to look for a 15-letter word for the digital crossword he is doing. He has soon found the answer to what "HSDPA, EDGE, WCDMA" is.\*

On the seat beside him, a young man's eyes are fixed on his mobile phone's screen as his fingers flash wildly over the keys while he plays a video war game against a couple of friends somewhere in the world.

A man in his 30s is checking the highlights from the local football derby, smiles when his team takes the lead, and hopes he gets home in time to watch the second half on his plasma TV. Beside him, a man is checking his personal e-mails, checking the links and film clips his friends have sent, while talking on his hands-free headset with a friend about which one is the funniest.

A middle-aged woman is watching "Funniest Mobile Videos," voting for a clip of a little boy stuck on his potty and hoping she will win the weekly prize of USD 100 of mobile time.

We do not have to wait until the age of teleportation for this bus to leave. Many of these media services work adequately on GPRS telephones. But in the end, it is not the technology that determines how people pass their time, get their entertainment or look for information using their mobiles. Consumers do that.

Mobile media has already picked up speed, says Torbjörn Nilsson, Ericsson's senior vice president, Strategy and Product Management. "For example, ringtones are a major industry; there are more and more downloads of games; mobile TV is attracting increasing interest around the world. We can expect to see different forms of advertising being introduced to the mobile media channel."

Prophets of doom have sometimes shouted loudly when technological breakthroughs enter the market. TV was expected to kill off radio, video would spell the end of cinemas and the internet would make printed newspapers a thing of the past.

But digital media is something different. It looks like bringing together two giant industries: telecom and media. The mobile is seen more as a complement to existing media channels than a replacement. Although it is difficult to foresee which companies will be successful, which mobile media ser-

vices will become popular and when the usage will seriously take off, the industries do not hesitate to say that the mobile phone will become an important media channel.

As chairman and CEO of one of the biggest entertainment companies in the world, Sony's Sir Howard Stringer is in the midst of it all. "The relationship between content services and telephony, and between voice, data and media is a kind of multimedia convergence," Stringer says.

Media companies already use several channels; for example, newspapers have paper editions, web editions and some readers are encouraged to interact via SMS. With media in the mobile, the way we use different devices will change.

You might go to the cinema or watch TV when you want to see a film, documentary or a football match, but you check the latest news on your mobile on the way home. When you really want to listen to music, you use your home stereo, but you download some songs onto your mobile while heading to a friend's house. To set a high score on a game or play high-stakes poker, you use your home PC, but for killing a few minutes, you play on your mobile. You use the larger screens of your TV and PC at home and at work. In between, you have your mobile, a screen that lets you choose when you want to consume media.



Torbjörn Nilsson



Howard Stringer



“Young people of today say that if you don't have a mobile, you do not exist.”

Henrik Pålsson

>> Kurt Sillén, head of Ericsson Mobility World Innovation at Group Function Sales and Marketing, works every day with the development of mobile media. He explains: “Television companies talk about winning the time you are sitting in front of (different) screens. They complement each other, and if one company loses you on the mobile screen, someone else can climb in and capture your time there to win you over on the other screens too.”



Kurt Sillén

“The mobile channel will be an integrated part of how content providers work.”

#### Many indications

There is a doormat that reminds you about everything you have to take with you when you leave your home: mobile, keys, wallet. This design, with all its simplicity, is an accurate short description of our present time. There are many indications that the mobile will become even more important in the

future, as Henrik Pålsson, head of Ericsson's Consumer & Enterprise Lab, explains: “Young people of today say that if you don't have a mobile, you do not exist. It is almost more important to be available as a phone number than as an individual, because without a phone number you can't tell when, where or how you can contact the individual,” he says.

Their role as status symbols and the fact that they are seen as “hot” means mobiles help create people's identities. A broader range of content services lets the mobile contribute to a sense of belonging: it's all about being constantly up-to-date and part of the peer group's conversation. An advantage of the mobile is that you can share content wherever you are more easily than with any other channel, including the internet. Add entertainment so you can kill time, and those media services are adding value for the mobile subscriber.

“We are guided by our needs and wishes. We are more consumers of wishes than needs today: we eat so we can enjoy the experience, not because we have to. Our fundamental requirements for survival have been met for decades,” Pålsson says.

“It's mobile, it's personal, it's instant!” It sounds like the payoff line for a flashy commercial, but advanced mobile media makes life more fun, according to the media and telecom industries. The mobile of the future will let you get your news, video, music, games and internet access when and where you want in a way that can not be fully imagined today.



Henrik Pålsson

Stefan Streit, Vice President Marketing Western Europe at Sony Ericsson, says the mobile phone will always primarily be a telephone “so it has to look and function like a phone; then you can add all the other functions.”

Media services mean that the way we use the mobile will change. At the same time as we talk, we can also share images, films and sounds as part of our communication, something that will probably lead to longer calls and move the phone from our ears to in front of our eyes. We can also simply consume media content without communicating with another person.

## Mobile media under one umbrella

**Within three years,** Ericsson should be the preferred choice for operators and large media companies when it comes to mobile media. An important step in reaching this goal is the Content & Application Program, which was brought to life in April after Ericsson Mobility World was integrated into the business unit structure.

The program consolidates Ericsson's efforts, both economically and organization-wise. It belongs to Product Area Service Layer within Business Unit Systems and Product Area Managed Services within Business Unit Global Services. Ericsson Mobility World Innovation Team within Group Function

Sales and Marketing and the Developer Program at Service Layer also cooperate in the program.

The idea is to bring together all those who are working with mobile media; whether from Systems or Global Services. Under project manager Peter Laurin, 20 people are working centrally on the development of Ericsson's offerings, find and develop three player partnerships, sales support and other ways to assist market units to create a clear business focus on mobile media.

The program drives all business in this area, under three headings: music, contact person Klaus Kindl; TV, contact person Andreas Eriksson; and

gaming, download and alerts, contact person Fredrik Borgström. This year's objectives have already been accomplished.

"We launched our offerings in Cannes earlier this year," Laurin says. "We have had strong business development since, resulting in numerous deals. We are delivering services such as ringback tones, music portals, MMS alerts, multiplayer gaming portals and more, to customers around the world."



Peter Laurin



Kurt Sillén says: "It has been said that when you can have your PC in your pocket, and it is online and personal, then we will change society. We are pretty close to that now."

Ericsson has long spoken of the mobile as being a "Swiss Army Knife of communication." Mobile media is a step in making that phrase a reality, but in order for mobiles to be able to do everything you need, there naturally needs to be an improvement in capacity and quality.

Some people trying new technology sometimes feel as if they have been struck by Murphy's law, which dictates that if anything can go wrong, it will go wrong. However, Moore's law, which states computer capacity will double every 18 months, is more accurate in the real world. This favors the belief that the mobile phone someday really will be able to do all sorts of things – if consumers want it to, that is.

For Sony's Stringer, this means manufacturers are at the mercy of their customers. "You can show a movie on the phone now, but you would probably want a bigger screen. So we will make a device with a bigger screen."

He and Sony Ericsson's Stefan Streit agree that the multi-tool mobile phone could bring about the end of some of today's different portable media players. Streit's vision is all-encompassing: "The mobile will be our only device when we're not at home or at work. We use it for communication, to pay bills, as a security device, for entertainment, getting into the car, house, office, and to ride public transportation."

Remember the doormat – one day in the future, maybe it will just remind about the mobile.

### Work together

"One for all and all for one!" French author Alexandre Dumas coined that phrase for the greatest heroic trio in literature, the Three Musketeers. Without working the metaphor too much, we can say that mobile media success needs three parties to work together: media companies, telecom operators and network specialists.



Stefan Streit

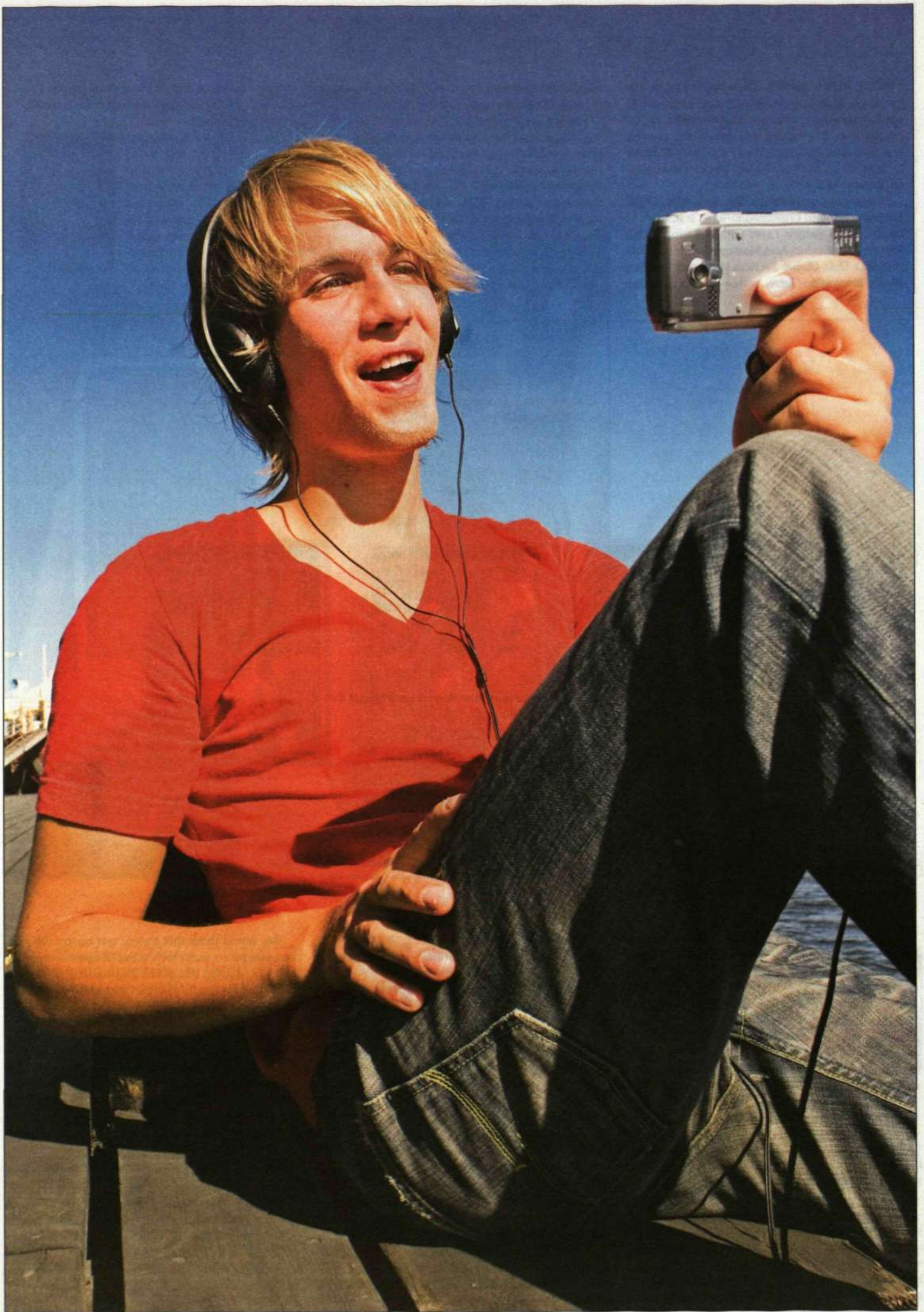
You would think that should not be too difficult, but as with so many new areas, it takes a while for everything to fall into place. The media and telecom industries are traditionally a little conservative: one has long been an oligopoly and made enormous profits, while the other was a monopoly for years.

Things have progressed significantly in recent years. Everyone involved understands that real success will require everyone to follow the motto of the Three Musketeers.

For the media companies, the mobile is both something they can not ignore and a new way to reach people. The issue is not just distribution but also sales and marketing. With such a direct channel to the consumer, marketing through the mobile is another area expected to grow.

Operators are hoping that media content will finally get data traffic volumes up. But this requires them to become professional "bartenders," as Sillén puts it.

"There is no 'killer application'," he says. "What is needed is a 'killer cocktail.' The winner is the one that mixes the combination that the consumer needs and wants."



## How the content gets to your phone...

**You can get pretty** well all media services, such as music, video and games, to your mobile. But the quality can vary. For a high-quality experience you need good radio bandwidth and good terminals (see our related article on mobile TV).

Before the film clip or music reaches your mobile, it must always be adapted to suit the narrow radio channel and the limited display on the mobile handset. The data that makes up the content is recorded, with unnecessary information – which still demands resources – removed.

Getting content to your mobile requires: a media owner who produces the content, someone who compiles the material and saves it onto a server; and someone who protects the material, accepts payment for it and so on, and then transmits it over the mobile network. The roles – who does what – are not fixed. An operator can settle for just having a network, letting someone like Ericsson take care of the technical demands. Or the operator can be active and even take care of the media component. Media companies, using a

portal, can also give users access without going via an operator.

The terminal side is often the key to the introduction of new advanced services. These are being created all the time, but the quality of the terminals determines when they can be introduced. Factors such as memory, screen resolution, graphics and processing power come into play. For example, games producers often make games specifically for a certain mobile that has the correct characteristics. An increasing number of mobile phones now support MP3 and AAC formats, which allows the downloading of good quality music. Downloads from the web (news, wallpapers, images and so on) need a browser in the telephone, while for a phone to be able to receive alerts, it must be able to handle MMS.

The large area between the network and the terminals is Ericsson's strongest suit. An operator that chooses Ericsson's content and media solution, instead of doing everything itself, gets a server for storing content, a content management system,

digital rights management that limits access to the content, a function that adapts the content to the particular terminal (a complete list shows the characteristics of every terminal) and a payment system. This complete solution allows operators to build up and expand their media platforms simply and efficiently.

When it comes to the network, GPRS or 2.5G can manage with acceptable quality. You can download games and compare your results with others, but playing on-line, in real-time, demands EDGE or another 3G standard, and in future IMS with IP technology. GPRS is enough for downloading shorter pieces of music but you need 3G for complete tracks. GPRS also can cope with web surfing, as long as there is a search engine (such as Google), something that some operators already offer today. Alerts, push e-mails, need MMS.

Operators often provide users with a combination of services including music, basic downloads, games and so on.

LARS CEDERQUIST

>> For a great bar, it is not enough to serve pints of beer and gin and tonics. Today's guests have a variety of wishes ranging from non-alcoholic drinks and soft drinks, cocktails, beers and wines. The operator that wants to be popular must have a well-equipped bar with all the ingredients to keep everyone happy.

"Having different offerings for different segments is nothing new, and is something every industry has gone through. In the beginning, there was just one car, it was black and was a Ford. Then there were more colors, more brands and more models. The same thing is now happening in telecoms. It is

doubtful if an operator that doesn't understand that would survive," Sillén says.

### Create habits

But do people really want lots of media services? Yes, says Henrik Pålsson from Ericsson Consumer & Enterprise Lab. A quick look shows that whatever we like, we want in a mobile version: just think about clocks, stereos, telephones, calendars, computer games, radios. The key is that they should be easy to use, easy to pay for and make life simpler in some way.

"We are all really creatures of comfort," Pålsson says. "Things that are available and that make us comfortable create habits. We want to have it packaged, and it is up to the market players to do that. The consumer can only say yes or no to an offering."

Ericsson sees new business opportunities in the media market that is now emerging. A quick look at market calculations from analyst companies show that there is reason for optimism. For example, the mobile games market is expected to grow by 78 percent to USD 5.6 billion during 2005; music is expected to generate more than USD 9 billion in 2009; and mobile TV to reach USD 10-28 billion by 2010. Ericsson has the chance to take several pieces of that cake.

"We have an important role to play in connecting media companies with operators," Torbjörn Nilsson says.

There is an endless number of content providers, large and small, but not all of them have all the resources to get their content into the mobile. That is why partnerships, such as Ericsson's with Napster, Sony and other music companies and game developers, are so important to the future of mobile media.

Ericsson helps create services, and then the company supplies whatever is required, and manages the entire service, including digital copyright issues.

Another source of income is payment for content. When a consumer downloads content, the media company, operator and Ericsson share the revenue. Ericsson can even deliver the payment system, IPX.

Ericsson has worked for many years to help operators in the transition to mobile media, says John Delaney, an industry analyst with Ovum. He points out though that Ericsson's traditional competitors are also taking aim at this area.



John Delaney

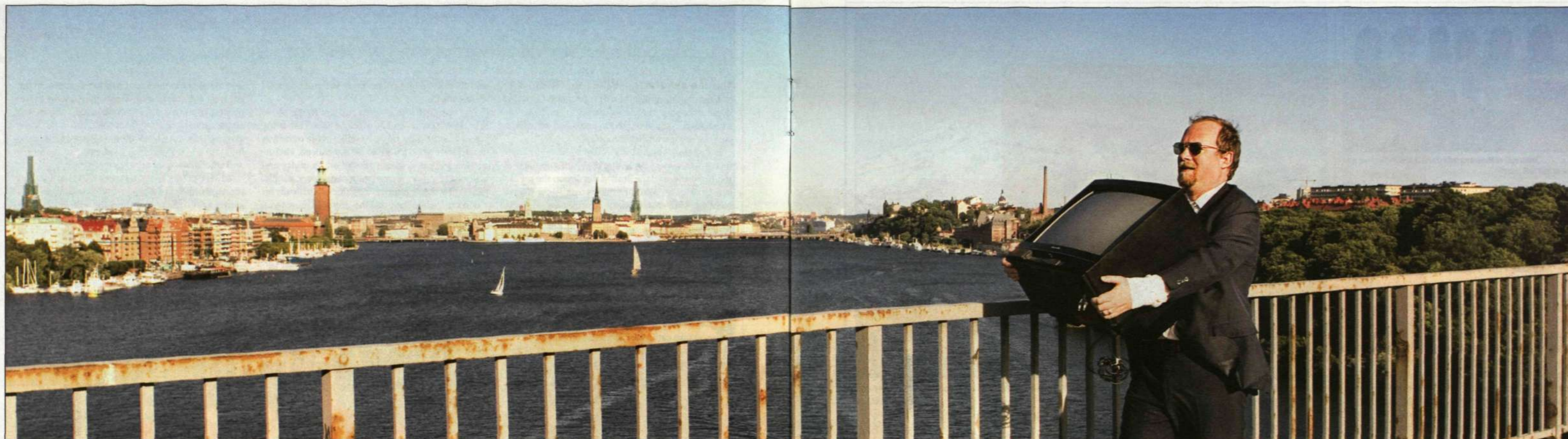
"There is certainly potential for mobile media to become big business, but mobile operators have three big obstacles to overcome first. First, they need to achieve high penetration among their customers with multimedia-capable telephones. Second, they need to adapt their telecoms-centric organizations to deal with the very different demands of the media business. Third, they need to get their customers to perceive them as natural providers of not just telecommunications but also information and entertainment."

Despite this area being new territory, and despite the potential and the real result being two different things, mobile media is happening now. Ericsson's service layer product area, the people who develop the applications that become services for consumers, reports that music, games, TV and video are in demand.

Torbjörn Nilsson says: "There is a lot of money in mobile media and we are earning money from it today. With better and better quality, and more and more 3G launches, we expect this market to grow very quickly."

\* Footnote: EDGE, WCDMA and HSDPA are mobile standards, in a crossword without the blank space.





# Now, I want my mobile TV

What am I? I have zero penetration yet dominate every telecoms industry event. Consumers are willing to pay up to USD 10 a month to have me. I am **so valuable that not only Ericsson, but also operators and the media industry are throwing everything** into getting me to the mass market.

Yes, I am mobile TV.

**Long a dream**, now a reality—of sorts—mobile TV is the “next big thing” in telecoms. While there is a general reluctance in the industry to place an exact value on this offering, the amount of time and money going into developing the technology and the handsets to run it show the huge potential for both the telecom and media arenas.

Analysts speculate that about 125 million people will be watching TV on their mobile handsets by 2010, turning what some say is a USD 200 million business today into a USD 27 billion one. It seems a valid suggestion when 3G handset sales are taken into account. They are expected to multiply dramatically to 85 million in five years time.

Ericsson Consumer & Enterprise Lab research in the UK and Italy shows that consumers not only want to watch news, sport and their favorite shows on their phones, they are prepared to pay the equivalent of several US dollars a month for the privilege.

Early adopters will spend even more, up to USD 18 per month. Compare this with the average revenue per user for most existing services, less than USD 4, and the potential of mobile TV is quickly apparent.

Per Nordlöf, who is responsible for Ericsson's Mobile TV strategy, says mobile TV is unlikely to ever replace the home cinemas of today, but it will become a major force for filling in a few “spare minutes” during the day, or accessing favorite shows, news and sports when the living room is too far away.

While mobile TV has taken center stage at the big events of the year, the 3GSM World Congress and Milia, the main media/entertainment industry conference, it has been in the market place for more than a year, pretty much since the introduction of



Per Nordlöf

3G. In the past six months alone there have been 40 commercial launches.

Around the globe, consumers no longer have to miss the news, their favorite serials or important sporting events, with operators such as Vodafone, TeliaSonera, TIM, Orange, Sprint and Verizon all providing services.

## As remote controls

It all started with dial-up services using the video telephony capability of 3G, where consumers made video calls to video services providing their favorite soap operas and reality TV programs. Today, the mainstream implementation is via 3G packet-based streaming where mobile TV is accessed through a WAP-enabled portal function in which both live and on-demand content is reached.

There were even some pre-3G attempts but data rates for those services were low, and image and

sound quality were not what consumers wanted. Small screens and short battery life also played their part in restricting what was on offer.

The media industry, however, has driven a rethink, creating content specifically for small-format devices and introducing interactive services that are particularly attractive to the youth and early adopter segments who have the money and social incentive to get in at the start of the boom.

Mobiles themselves need to become as easy to navigate as remote controls. “At the moment mobile TV through WAP portals is buried about eight levels down. It requires a lot of clicks. Mobile TV needs to be a one-click function so you can use your phone like a remote, using the keypad to change channels and adjust settings,” Nordlöf says.

Ericsson already displays this one-click option at its Experience Centre in Kista, Sweden, and is working across the organization and with Sony Ericsson to make the “remote” concept a widespread reality, maybe not this year, but soon. Its demo setup also shows high-quality streaming, without the shakes and hitches sometimes visible in today's commercial services, and almost perfect audio, dispelling early analyst commentary that 3G would never support a service consumers would be willing to pay for.

“We won't reach mass market if we continue with what we have today,” Nordlöf says. “The service has to be simple and supportive. That is a couple of steps

away still, and we will have to go through a few more rounds of development if that is to take place. But we will get there.”

For the media industry, mobile TV provides a new platform for generating revenue through everything from add-on sales of ringtones and show merchandise to advertising time and space.

As Nordlöf puts it, this means “big, big bucks.”

## Rapid development

Christian Plenk, director of Mobile Media for Ericsson, says the media industry and content providers are really driving the rapid development of mobile TV. They work in a constantly changing, dynamic environment and want solutions now, not in the two-year time frames telecom is accustomed to.

“This opportunity is being driven more and more by the media industry,” Plenk says. “It is the first time the media industry has really taken the lead in regard to mobile services; previously it has been pressed into it by operators who have not checked if there is demand.”

“TV straight to the mobile—this channel really is the vision. Ericsson's goal is to be the number one preferred partner, globally, for all mobile operators and TV producers thinking in terms of

mobile content. If someone is thinking of mobilizing their service, making mobile TV a reality, they should think immediately of Ericsson.”

As stated by the executive of a leading European TV station at this year's 3GSM World Congress in Cannes: “We need a separate marketplace providing interaction/communication capabilities as well as providing a compelling digital goods offering. The service must be 100 percent synchronized with the TV experience so that the consumer gets real, seamless added value when watching TV at home and on the move.”

Plenk says Ericsson's strong commitment to helping the TV industry, and with its experience with the business area through music content platforms and hosting of content and applications, means the company is well placed.

“We are here to help the TV industry to mobilize its content. We want to provide all the business models for launching and running mobile media, so people do not have to invest too much in technology.”

To achieve its goal, Plenk says Ericsson must provide the link between the media industry and operators. “The media industry wants things to happen in the next few months, not years. The challenge for operators is to meet that expectation. Ericsson has the market position, global experience and technical knowledge required to help both sides successfully turn these opportunities into business.”



Christian Plenk



## Music – now in everyone's pocket

The camera mobile has broken through on a broad front and is now more or less a standard product in the range. Before this revolution, however, came models capable of playing music, initially in the form of an in-built radio and then a small MP3 player.

**What is happening** in the market now is completely new. Innovative mobiles such as the Sony Ericsson Walkman telephone can store hundreds of songs and a steady stream of similar products is being released by various mobile telephone manufacturers. This is where Napster enters the picture.

"When it comes to downloading music on the internet, Napster is the best known brand in the world," says Svante Holm, head of mobile music sales at Ericsson, and one of those responsible for putting together Ericsson's agreement with Napster.

The strength of the brand was the principal reason for Ericsson choosing Napster as a partner when it took the step into the entertainment industry. Napster's President Brad Duea explains the situation surrounding the partnership: "Ericsson's expertise in the telecom industry combined with our expert knowledge within the music industry make our joint solution incredibly strong in the market. As a music listener you will have the same possibility to enjoy music irrespective of whether you are at home with access to your computer or are out and about with your mobile phone."

When pirate downloading of music from the



Svante Holm



Brad Duea

internet became a success, resulting in representatives of the record industry and artists tearing their hair out in unison, it was Napster that was leading the way. With Napster's help, anybody who wanted to could download songs through a file-sharing system: you can download from me and I can download from you, and everybody else.

### Huge music catalogue

Since re-launching as a legal digital music service in 2003, Napster now has a huge 1.5-million title music catalogue, from which, in return for a fee, you can download the songs you want to your computer. Together with Ericsson, Napster now offers mobile telephone operators a mobile version, or Napster Mobile as it is officially known. Napster Mobile allows subscribers with a suitable telephone to download directly to their phone. Users can also choose to stream music to their mobile in return for a fixed, monthly subscription fee.

"Users who choose to pay a monthly fee, approximately the price of an ordinary CD, can enjoy unlimited access to the more than one million songs that Napster Mobile offers in its catalogue," Holm says.

As part of the cooperation, Ericsson's task is to develop the mobile aspect of the service and then sell it to mobile operators as a hosted service.

"We have an important role to play in the media industry. We have the know-how to develop user-friendly mobile consumer services. There are many high-quality content-owners out there, but they need

help to get the content into the mobiles and to sell the service to mobile operators," Holm says.

It is important that services being developed are firmly focused on the consumer. Many of the more advanced services are difficult to use and time consuming to install for those who are not technically minded.

"User-friendliness is exceptionally important," Holm says. "Services that are technology focused can be incredibly smart but attract a very small group of people. Instead, we work with services that are aimed at the mass market; they can be used by anybody and require the absolute minimum amount of button pushing."

To date mobile music has consisted of ringtones and ringback tones. Ringtones have been an enormous success throughout the world and now ringback tones are also starting to pull in big money. Holm explains that full-length tracks will also become a success.

"The mobile music industry will go through explosive growth in the next few years," he comments.

When it comes to full-length songs direct to your computer, then it is Apple's iTunes that is leading the market, but Napster is not far behind. Where iTunes can only be played on Apple's iPod (or on the computer) Napster's services are compatible with a huge number of MP3 players from various manufacturers. The same can be said for Napster Mobile, which works on music phones from all the large mobile manufacturers.

Ericsson and Napster started discussing a cooperation towards the end of 2004, when Napster determined to launch its product range on mobile phones. In record time, just five months later, a global deal was struck. The second stage will be to introduce the new service. Holm has tested demo versions of the product and he has no doubt that it will be the world's strongest mobile music service.

"It's simple to use, comes with the strongest consumer brand, contains the largest music catalogue and it works on all music mobiles," he says.

around ericsson

editor: gunilla tamm



The weather was gorgeous when Anders Åkvist climbed Mount Rainer, one of the tallest mountains in the continental US.

Photo: Anders Åkvist

## No ordinary walk

To climb Mount Rainer, one of the tallest mountain in the continental US, was a dream Anders Åkvist had had for many years. A little while ago, that dream became a reality for Åkvist, who proudly waved the Ericsson flag at 4392 meters.

Åkvist works with the T-Mobile USA KAM in Seattle. It was Rolfe Philip, head of the KAM, who challenged him to carry the flag for good luck. Mount Rainer, located just southeast of Seattle, is an active volcano and the most recent eruption occurred in 1894. Steam continually flows from the top of the mountain and the ground is warm to the touch. There are many glaciers, which may sound dangerous to the average person, but it only made the climb more exciting for Åkvist.

"I love Mount Rainer and the view of it during

clear days in Seattle," Åkvist said. "I have been thinking of climbing it for a couple of years and I also needed a goal to get in better shape." He trained for six months by climbing several smaller mountains with a heavy backpack and he jogged every day.

Four friends joined him for the Mount Rainer climb.

"Thin air made me dizzy and I got a headache as I got closer to the top," Åkvist said. "I had to force myself to take deeper breaths, to get more oxygen."

Crossing crevasses presented a big challenge. Some were several hundred feet deep. Some they walked around, some they stepped over and one they had to use a ladder to cross.

It took Åkvist eight hours to climb to the summit from the base camp at 3000 meters. He stayed for one hour at the top – the weather was gorgeous – before it was time to hike back again.

He is now challenging Rolfe and other colleagues to give Mount Rainer a try.



Anders Åkvist  
Photo: Johan Johnsson



Six semi-finalists from the presenter contest.

Photo: Far EastTone

## Times hotting up for 3G in Taiwan

July has been very hot for 3G in Taiwan, where big operators such as Far EastTone (FET), Chung-Hwa and Taiwan Mobile have launched their 3G services.

Consequently, there has been some pretty heavy marketing of 3G. One campaign in particular, "FET OHA! Weather Host Wanted" has generated a lot of interest and not only in Taiwan. Consumers from Taiwan, Korea and Japan were all invited to be "judges" in the regional online voting process.

The two contestants who scored the highest number of votes, received training at the Weather News Inc (WNI) headquarters office and will start broadcasting mobile weather news to Taiwan viewers this month. At the end of their three months training, they could be offered formal contracts, depending of course on their performance.

WNI, based in Japan, is the largest privately owned weather reporting company in the world. More than 1 million mobile subscribers in Japan and Korea get WNI news on a daily basis.

More info:

[http://internal.ericsson.com/page/hub\\_china/news/newsarchive/2005/july/20050721\\_taiwan.jsp](http://internal.ericsson.com/page/hub_china/news/newsarchive/2005/july/20050721_taiwan.jsp)



Skiers cheer after the race. Next to the camera is Carl Hornstrand.

Photo: John Hargrave

## Ski race down under

Skiing is not something you immediately think of in connection with Australia, but twelve Ericsson employees there are changing all that. During the last weekend in July they took part in a corporate ski race where companies from all over Australia met up to race against each other.

The competition took place in Falls Creek, in the southeastern state of Victoria, and comprised two disciplines, giant slalom and slalom. There were 121 teams competing, with four from Ericsson, and the best finished in ninth place.

"The ski race was a nice way to meet people from other companies. We represented Ericsson and got a lot of credit for our strong team support," Carl Hornstrand, one of the skiers, said.

from the archives

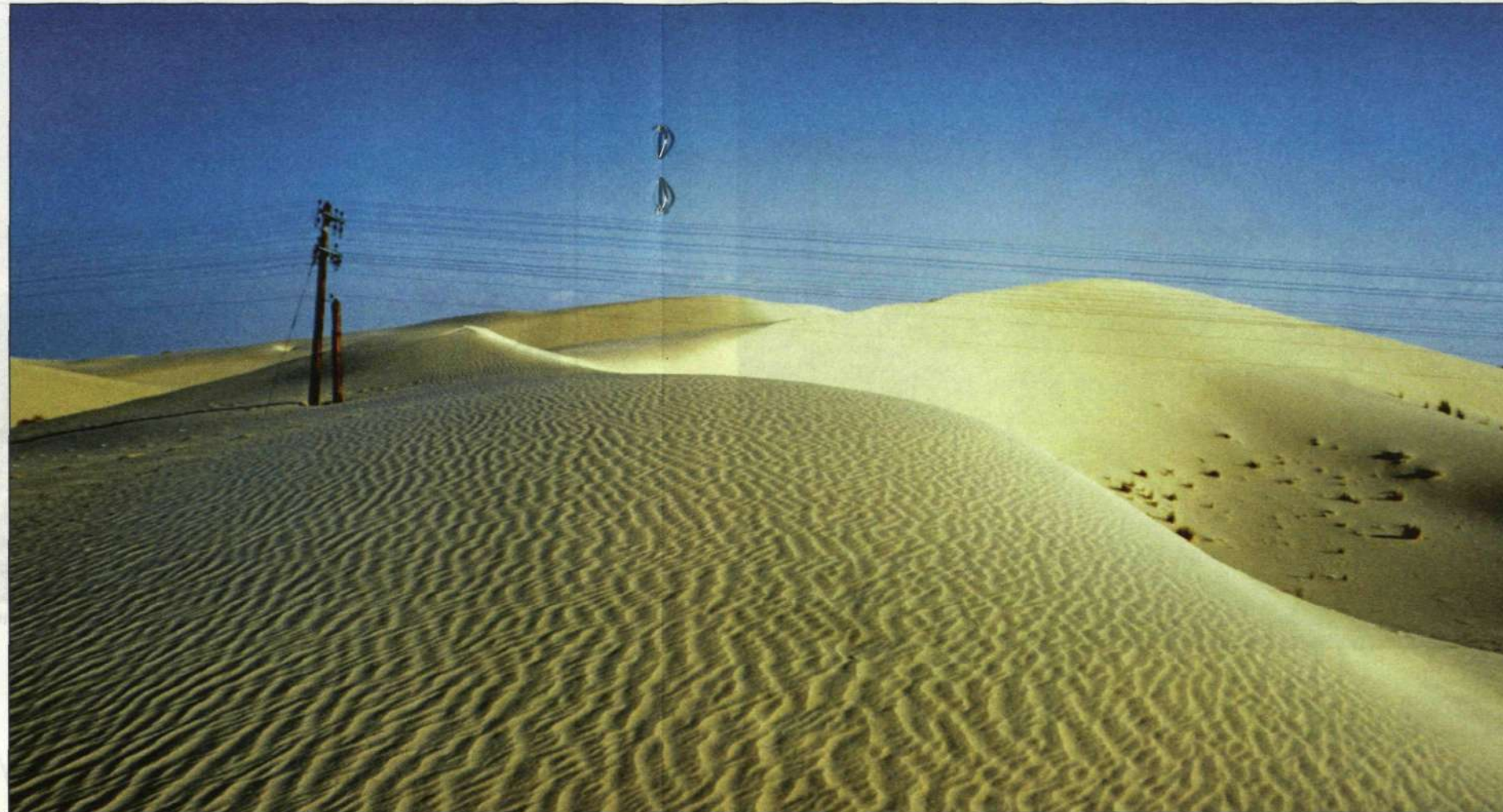


Mr Soerabaya, store owner in Indonesia, makes a call from a public telephone in 1926.



market: middle east

text: tomas eriksson and catharina bergsten photo: tomas eriksson



There are 170 million people who like to talk on the phone and who love new technology, new gadgets. **The Middle East telecom market** is as hot as the desert sand and Ericsson is now reaping the rewards of its 50 years in the region.

# Telecom market as hot as the desert sand

**Building confidence** is the key to doing business in the Middle East, and that takes a long-term commitment. Oman is a good example. Ericsson has been working there since 1972 as main supplier for OmanTel and later for the company's mobile operator, OmanMobile. So when Ericsson was contracted in 2004 to build and operate the mobile network for new operator Nawras (see our related article), OmanMobile was naturally a bit surprised. But it became obvious that Ericsson had built up the confidence needed in order to cooperate with two competing mobile operators.

Peter Andersson, head of Ericsson in Oman, says OmanMobile was concerned that Ericsson would put more of its focus on Nawras because it was the sole supplier for there, but only one of three supplying OmanMobile. "But we have now received feedback from OmanMobile showing that it is very pleased," Andersson says. "It depends on us being very careful about meeting their requirements and we have created a solid competitive environment between the group taking care of Nawras and the one taking care of OmanMobile."

Ericsson's Market Unit Middle East comprises 12 countries reaching from Syria in the north, Iran in the east and the Arabian peninsula in the south. There are 170 million people who like talking on the phone. Operators speak happily about customers with lots of relatives and friends who often make lengthy calls to each other.

The telecom industry is growing strongly in the region as markets open up. The United Arab Emirates and Iran are each set to get their second operators, leaving Qatar as the only monopoly. This is good news for Ericsson.

Ake Mårtensson is in charge of business development in the Middle East. "A second network starting up means growth of course. But a greater focus on the market side means the existing networks often grow more than the new ones, and that demands new investments," he says.

Middle Eastern countries have different circumstances. The countries on the Ara-



Ake Mårtensson

bian peninsula are wealthy thanks to oil and gas income: Qatar and the UAE are among the world's richest countries. In the north, countries such as Syria, Jordan and Iran are significantly less well off. In the middle of the region is war-torn Iraq. Ericsson has offices in 10 countries, the whole region expect for Yemen and Iraq.

"We are following the Swedish government's advice not to have staff in Iraq. But we are suppliers to two networks in northern Iraq where local companies carry out the work," Mårtensson says.

He says with 40 percent of the market, Ericsson is the dominant vendor for mobile networks in the Middle East. The first office was opened in Beirut in the 1950s; that long-term presence is a strength.

"Customers here want to know who you are and that they can rely on you. Setting up offices in these countries is a way of showing that you are here for the long term," Mårtensson says.

Abdul Almaimani started his career in the telecom industry in 1979 with OmanTel, but has worked with Ericsson since 1994. He knows most of the people in

the industry and has seen Western businessmen come and go.

"Those who come here have to understand our culture," Almaimani says. "The best way to do business here is to be friendly, and become friends with the person you are negotiating with. You also need to be flexible and have a mandate to negotiate on prices and technology. Ericsson is, and has been, good at understanding the culture."

Ericsson's breakthrough in the Middle East was a giant AXE order in Saudi Arabia in 1978, says Bo Nilsson, head of Ericsson Middle East.

"Saudi Arabia was one of the first to buy the AXE switch," Nilsson says. "The Saudis were even ahead of Sweden with the NMT system: it was brought in here in 1980, a year before Sweden," he says. "Saudi Arabia is still our big-



Abdul Almaimani



Bo Nilsson

gest market. There are 10-11 million mobile users here, and half of the region's nearly 1100 Ericsson employees."

In Saudi Arabia, just as in Oman, Ericsson has been selected to build the second mobile network, which was built in record time.

"Mobily, which is owned by Etisalat, got the assignment in September 2004. The network was opened in May. We rolled out the central part with the switches. The radio network was divided among several vendors, and we got responsibility for the country's most important cities such as Riyadh, Mecca, Jeddah and Taif," Nilsson says.

Operating a network is a big vote of confidence. Another is the fact that Ericsson was chosen to be sole supplier of such vital components as the central switching functions in several networks. In the Middle East, two or three vendors usually compete within a single network.

Many Saudis head off for their Thursday-Friday weekend along the 25km bridge to the island kingdom of Bahrain in the Persian Gulf. Ericsson is sole

## country by country

**BAHRAIN**

**Population:** 688,000  
**Mobile operators:** 2  
**Ericsson employees:** 30  
**Ericsson customers:** Batelco

**IRAN**

**Population:** 68 million  
**Mobile operators:** 1 (one more network planned)  
**Ericsson employees:** 120  
**Ericsson customers:** Mobile Company of Iran (MCI) and Telecom Company of Iran (TCI, fixed network).

**IRAQ**

**Population:** 26 million  
**Mobile operators:** 5  
**Ericsson employees:** 4, based in Dubai  
**Ericsson customers:** Two mobile operators in Kurdish-controlled northern Iraq.

**JORDAN**

**Population:** 5.2 million  
**Mobile operators:** 4  
**Ericsson employees:** 20  
**Ericsson customers:** Mobile operator Mobilecom.

**KUWAIT**

**Population:** 2.3 million  
**Mobile operators:** 2  
**Ericsson employees:** 25  
**Ericsson customers:** Mobile operator Wataniya and (fixed-network) Ministry of Communication.

**LEBANON**

**Population:** 3 million  
**Mobile operators:** 2  
**Ericsson employees:** 50  
**Ericsson customers:** Mobile operator Alfa and (fixed network) Ministry of Telecommunication (MoT).

**OMAN**

**Population:** 3 million  
**Mobile operators:** 2  
**Ericsson employees:** 150  
**Ericsson customers:** Oman Tel, Oman Mobile, Nawras.

**QATAR**

**Population:** 863,000  
**Mobile operators:** 1  
**Ericsson employees:** 0 (supported from Bahrain)  
**Ericsson customers:** Qtel.

**SAUDI ARABIA**

**Population:** 26.4 million  
**Mobile operators:** 2  
**Ericsson employees:** 500  
**Ericsson customers:** Saudi Telecom Company (STC) and new Mobily.

**SYRIA**

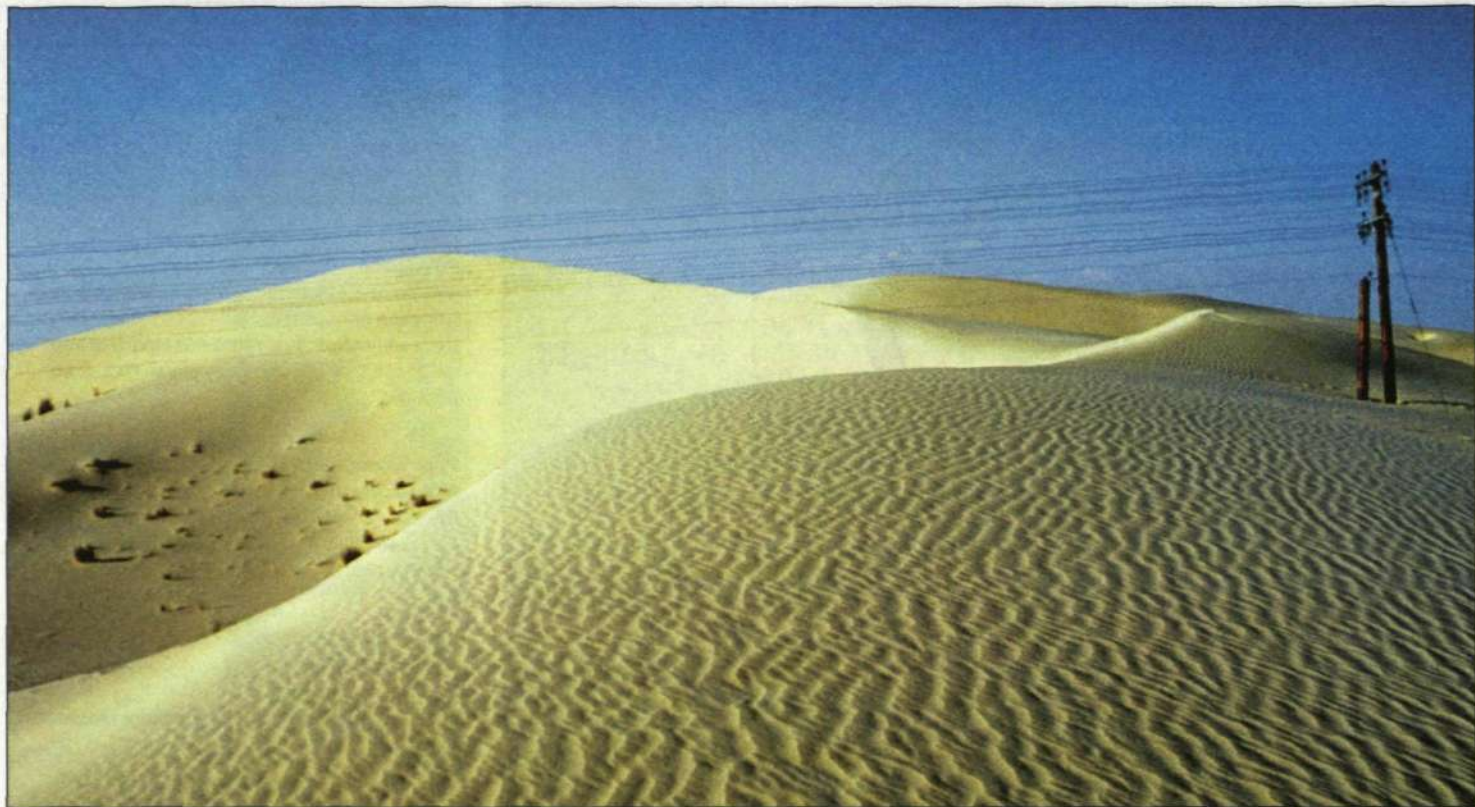
**Population:** 17 million  
**Mobile operators:** 2  
**Ericsson employees:** 45  
**Ericsson customers:** Mobile operators Syriatel and Areeba.

**UNITED ARAB EMIRATES**

**Population:** 4 million  
**Mobile operators:** 1 (one more planned)  
**Ericsson employees:** 140  
**Ericsson customers:** Etisalat.

**YEMEN**

**Population:** 20.7 million  
**Mobile operators:** 2  
**Ericsson employees:** 0. Supported from Oman  
**Ericsson customers:** None for the moment, but a third operator is planned.



>> supplier here to the leading operator Batelco (see our related article).

That is a great sign of confidence, says Ericsson's country manager in Bahrain, Johan Ljödquist. "But we have been there since day one and have built up the infrastructure. It demands hard work: everyone targets you when you are alone, both the customer and competitors."

Bahrain has nearly 100 percent mobile penetration, figures from both operators there show.

"So there will not be any more build-out," Ljödquist says. "Instead, we have to work with services, outsourcing and enterprise. We will also run a 3G pilot with Batelco (at the start of 2006)."

Antoine Nehme, country manager for Syria and Jordan, says there is plenty of room for growth in the northern parts of the Middle East. Mobile penetration among Syria's 18 million people is only 10 percent.

"There is a really big market here in Syria in the long term," Nehme says. "Pre-paid has now picked up speed and has just passed the 50 percent mark."

"We supply both mobile operators in Syria and we also have several projects on the fixed-network side. The biggest is an expansion with switching, transmission and fiber optics that has been going on for nearly seven years. Our work now includes building ADSL into the network."

In Lebanon, a contractual conflict between operators and the government has stopped the expansion of the mobile network. "Thirty percent of Lebanese have mobile telephones. There should be more, but the six-digit numbering system does not allow any expansion," Nehme says.

In Jordan, four mobile operators are fighting for the 30 percent of the population that has mobile phones. Ericsson is working with Mobilecom, owned by France Telecom, which is the second-biggest operator, with a market share of 30 percent.

"The offering here is just getting bigger," Nehme says. "EDGE was launched last year and Jordan is

likely to be the first in this part of the Middle East to get a 3G network. The operators are in the starting blocks."

Once again, it was a long-term commitment that led to success in the northern Middle East. Ericsson returned in 1994 to its Beirut office which was closed during the country's civil war. Four years later, there were offices in Amman and Damascus.

"The investments in the offices and the staff are now paying off," Nehme says.

The offices in the northern Middle East are the ones with the most local employees. But there are also increasing numbers of locals working for Ericsson in the Arabian peninsular states. Countries such as Oman, Saudi Arabia and Bahrain have laws that regulate the proportion of local employees in the office.

Johan Ljödquist explains: "We have more Bahrainis than the 40 percent the law demands; there is no problem finding competent people at the university. It is the local people who should be the backbone of the company."

Success in the big markets; sole supplier to several networks; the confidence to operate two networks in one market: Åke Mårtenson and his colleagues in the Middle East can sleep well during the warm nights. But Mårtenson often wonders as he looks out over the desert landscape: when will the telecom market in Iran pick up?

"Iran is the biggest country in the region and has nearly 70 million people. But telephone penetration is no higher than 7-8 percent. A new mobile network is under way, but it has been stopped several times," he says.

Yet he can take comfort in the region's great interest in technology.

"Many companies, such as Etisalat in the UAE, like to test the latest technology," Mårtenson says. "New mobile telephones are very popular here and the UAE is always in the pack when Sony Ericsson launches a new product." •

## Competition gave a boost

**After eight years** as the only mobile operator in Bahrain, Batelco got a competitor two years ago. It was just what the company needed.

The company was forced to expand its network to make room for all the new subscribers, Batelco's Muna Al Hashemi tells Contact.

Batelco and Ericsson employees had a joint celebration on May 29, marking the 10th anniversary of the operator's GSM network. Getting a competitor in 2003 created more opportunities than problems.

"We were well prepared when competition arrived on the market," says Al Hashemi, manager of Pre-Paid Services. "We had created new services long before and other forms of added value for our customers and a new loyalty program."

"And we are dealing very well with the competition. We just keep on growing."

He tells of a large group of customers that love to make long phone calls and want to have the latest mobile telephone models.

Both operators in Bahrain have chosen to compete primarily on content and services.

"We don't want to start a price war, and it doesn't seem that our competitor wants to either. So we compete with services and customer care. We have been very successful in pre-paid, data services and e-mail," Al Hashemi says. •

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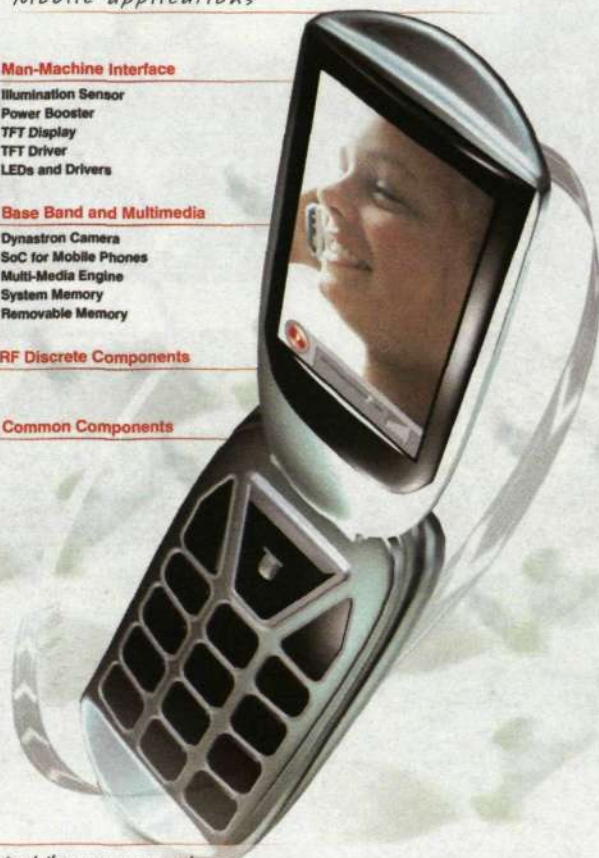
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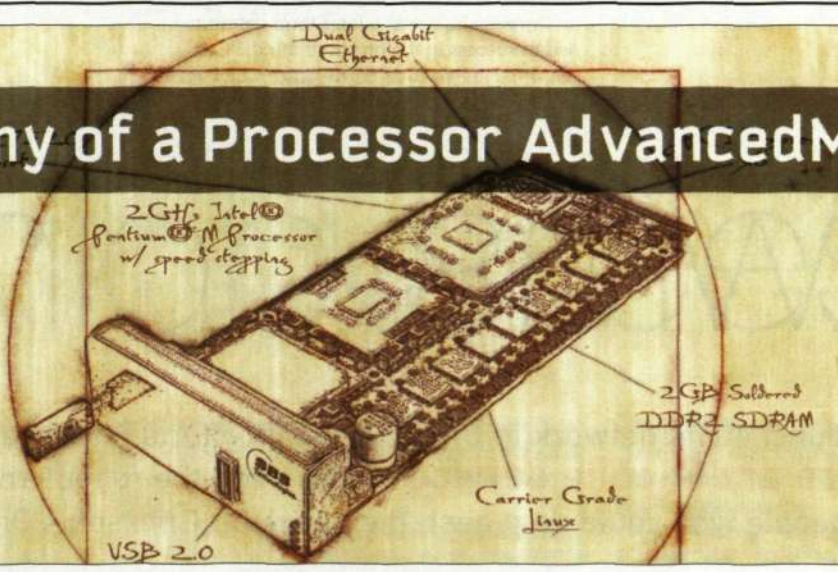
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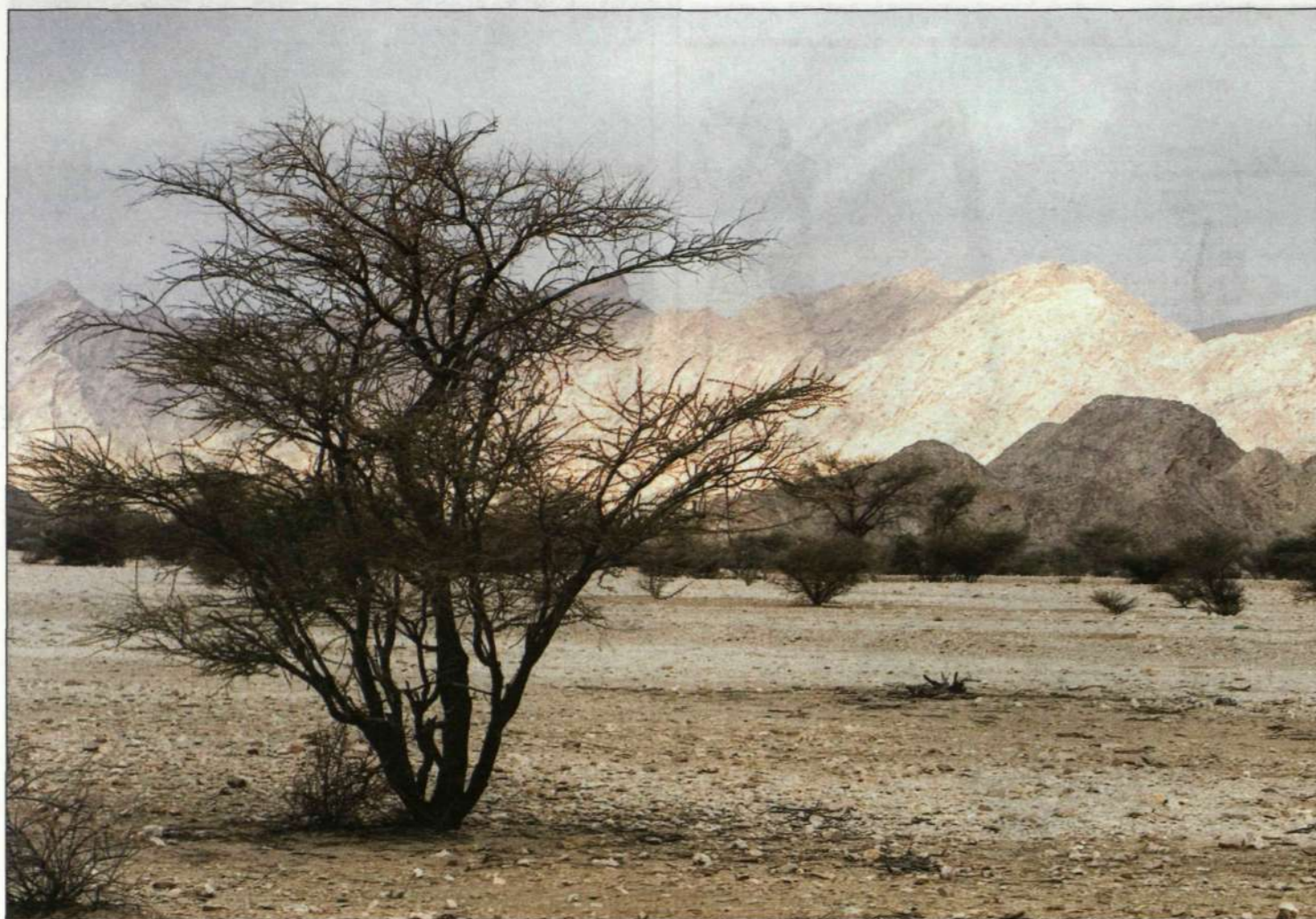
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customer focus: nawras



The landscape holds a dreamlike beauty for the visitor, but the flat deserts and high mountains of Oman are a nightmare for anyone who wants to construct a mobile network.

# Nawras doing what it knows best

When Nawras launched its network in Oman, it put its efforts into what it knows best: **customer care and mobile services**. And it left the rollout and maintenance of the network to the people who could do it best: the people at Ericsson's Oman office.

**The assignment** to roll out Nawras' network was awarded to Ericsson a year ago and the company has installed 200 base stations and an advanced core network in Oman at nearly world-record pace. The landscape holds a dreamlike beauty for the visitor, but the flat deserts and high mountains are a nightmare for anyone who wants to construct a mobile network.



Ross Cormack

"We started building in August 2004 and at commercial launch in March we had a network that reached 60 percent of the country's three million people," says Nawras' CEO Ross Cormack.

"Although it was the fastest launch in which I have been involved, it was also the most problem-free. And I have been involved in quite a few..."  
 But first Nawras needed to get a clear picture of what the customer wanted.  
 "Our first job was to look at what the customers liked and did not like about the existing monopoly network," Cormack says. "We also talked to those who were not customers and asked why. We saw that people wanted more usable services in their phones, more places where they could buy pre-paid cards, bills that were easier to understand and no distance-based tariffs."  
 "So we created a single tariff for calls across the entire country and made sure we had more than 500 distribution points where people could top up their phone credit. There used to be only 30 such places in a country that is 1200km long. By changing the tariff,

we have brought people in Oman closer to each other."  
 Nawras also made certain that customer service was at the heart of its operations.  
 "Having customer service in the offices means that customers can get a quicker response, but also that we find out faster about any problems," Cormack says.  
 "Our employees at customer service also get paid for quality, not quantity. Before ending a conversation they have to ask the customer three questions: Have I helped you? Are you satisfied? Is there anything else I can do?"  
 The operator got a rapid response from the Omani population after the network launch on March 16.  
 "After five weeks, we had 5 percent market share. Within two months we had more than 50,000 sub-

text: tomas eriksson & catharina bergsten photo: abdul al maimani & tomas eriksson



Nawras has customer service at the heart of its operations. The employees at customer service also get paid for quality rather than quantity.

nawras coverage targets

Mid-2005: 60 percent  
 End of 2005: 86 percent  
 End of 2006: 93 percent

facts about oman

**Population:** 3 million, of whom 20 percent are guest workers  
**Capital:** Muscat, with a population of 880,000  
**Most important export:** oil  
**Head of state:** Sultan Qabus Bin Said  
**Fixed-line telephone connections:** 240,000 (37 percent)  
**Post-paid mobile:** 250,000  
**Pre-paid mobile:** 645,000  
**Internet subscribers:** 50,000

"We work as a team. Ericsson's employees work on our premises. I think Ericsson has become increasingly specialized in network rollout and operation and so it is more than a vendor." **Ross Cormack**

scribers, and we reached 100,000 after 100 days of operations," says Cormack.  
 During the launch, Nawras chose to focus on its strengths - customers, services and the market. Nawras transferred network operation to Ericsson in accordance with a managed-service contract. According to Cormack, the cooperation is going well.  
 "We work as a team. Ericsson's employees work on our premises. I think Ericsson has become increasingly specialized in network rollout and operation and so it is more than a vendor," he says. "Some time in the future, we will take back network operations, but the Ericsson employees handling the network today will then be invited to keep doing their jobs. They will go to the same workplace and have the same colleagues and managers as previously."  
**Nawras is owned** by Qtel from Qatar and Danish operator TDC together with some prominent local investors. In Cormack's opinion, the collaboration between Arab and Scandinavian owners has been excellent. Qtel knows the local market and TDC has extensive experience of working in start-ups. The Omani investors provide crucial local knowledge

and a broad network of contacts in the country. After a year as CEO of Nawras, Cormack says he is most proud of having built such a strong team in Oman.  
 "Today we have 281 people working for the company. Over 70 percent of them come from Oman, just as we promised the government. And almost 100 percent of our co-workers are from Oman. In addition, 30 percent of our employees are women. That is an exceptional figure, considering that the normal figure for women working in private business in Oman is 10 percent."  
 With such a large percentage of women, Nawras also hopes to be able to attract more female customers.  
 "We are trying our best to reflect Oman's demography," says Halitham Al-Kharusi, Head of Corporate Affairs. "Since female customers can talk to women at our Nawras Store and with our customer champions, we hope that women will choose Nawras. We are also trying to develop special services and products for women. By having many women who work for our organization, we will appear strong when targeting women throughout the country."

Peter Andersson, Ericsson's country manager in Oman, says that Ericsson has 100 people working with Nawras - 50 rolling out the network and 50 handling the operation.  
 "By working closely with Nawras, we have achieved something similar to a partnership. We have also been successful in recruitment. Telecom expertise is on the increase in Oman," he says.  
 Robert Clark, key account manager at Ericsson, describes a highly robust mobile network, with many features.  
 "This is a network that matches up to the best 2G networks in the world, with many built-in functions such as GPRS, EDGE, MMS and much more," he says.  
 Following the build-out phase in 2005, Nawras is looking to 2006 as a period of strong growth, both for business and private customers. In 2007, Nawras aims to be a profit-making mobile network and to reach 93 percent of Oman's population.



Peter Andersson

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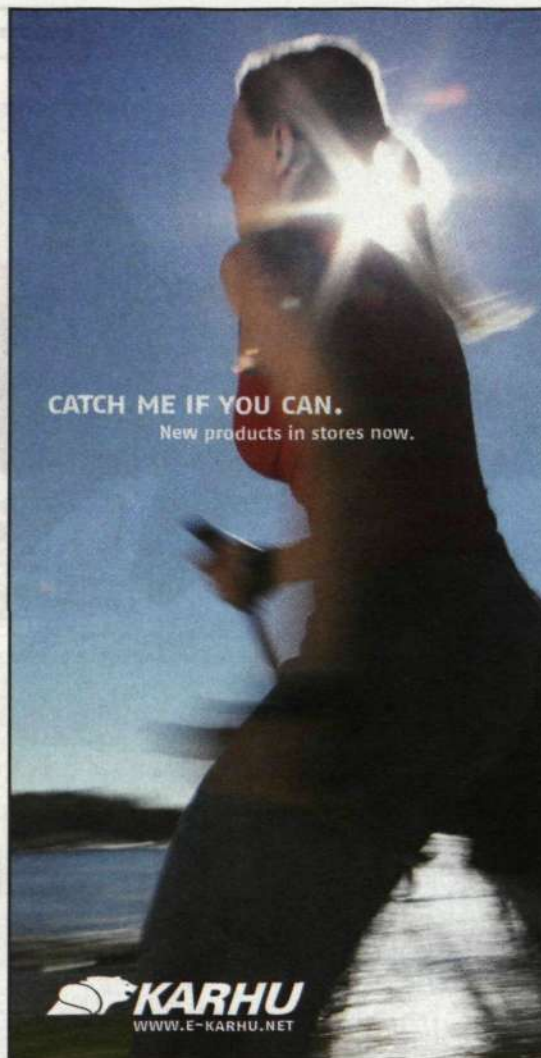
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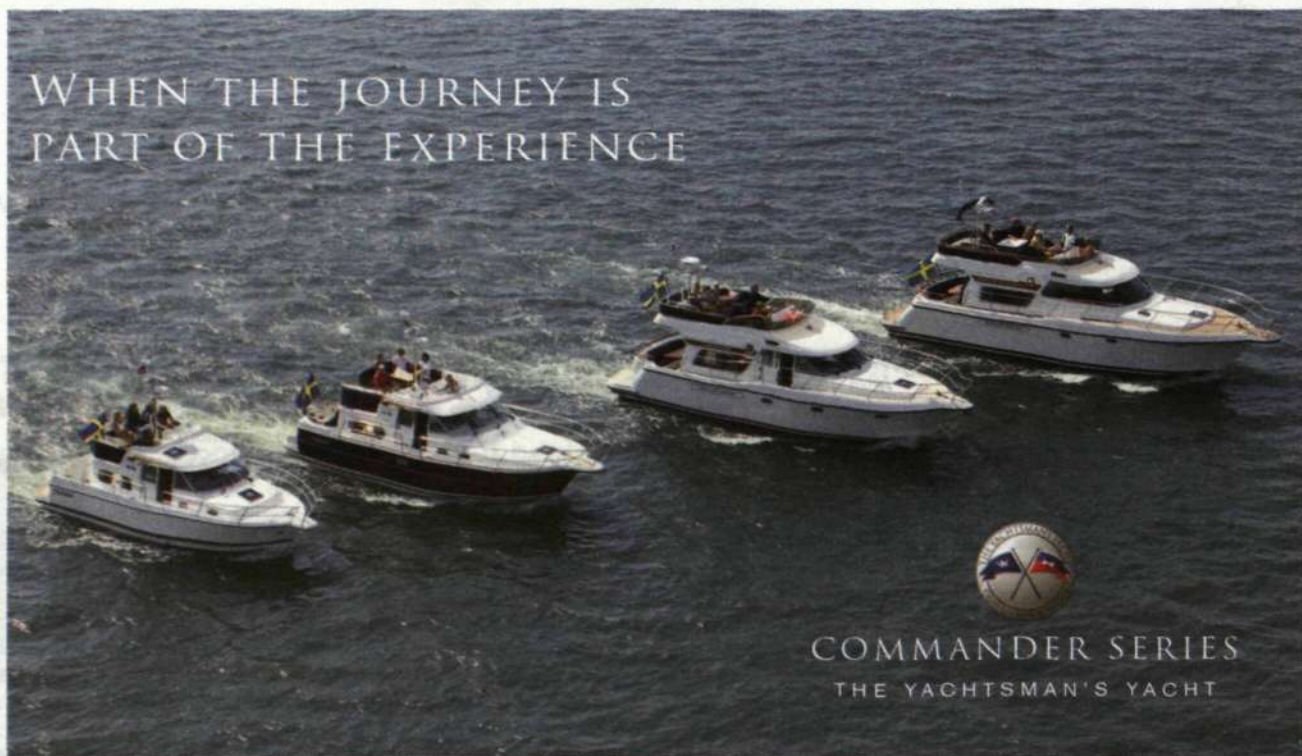
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# Performing well under pressure

Wataniya Telecom has chosen EDGE to strengthen its position in Kuwait. Ericsson secured the network upgrade contract and, in doing so, stepped into mobile operator Siemens' network, exceeded all expectations and received **acclaim from some unexpected quarters**. Ericsson's Kuwait manager, Per Uppström, recalls a comment made by Wataniya's competitor MTC: "You have really done an excellent job with Wataniya. For the first time in its history, it has a high-quality network."

**Kuwait is known as a** rich, oil-producing country that was once invaded. A lesser known fact is that its 2.2 million inhabitants, half of whom are foreigners, comprise the most dynamic mobile telephone market in the Middle East, with a market penetration of 85 percent. Kuwait's inhabitants want to have the latest technology – mobile telephones are a fashion item that many replace several times a year – wanting always to try the most up-to-date version.

Mobile telephone operators MTC-Vodafone and Wataniya Telecom are in fierce competition in a bid to satisfy the needs of customers. The two companies have an equal market share although MTC is the older and larger of the two. Wataniya has played aggressively; it has grown steadily since 1999 and has international ambitions.

With the slogan Kuwait's Red Carpet Mobile Company, Wataniya's strategy is to be the market leader in services and every activity in which the company participates should bring them closer to their customers. That is why they are building the region's most advanced network. In a bid to offer its customers additional flexible computer services, the operator decided to upgrade its entire network to EDGE.

"Many of our customers have already embraced our value-added services," said Wataniya's President, Harri Koponen, when the contract with Ericsson was announced. "We have the largest growth and usage of such services in our region. Demand is extensive and we want to ensure that we have the capacity to deal with even more services."

To facilitate EDGE, a "swap out" was required in the network. And irrespective of whether Wataniya was to continue its cooperation with Siemens, the only existing supplier, 200 radio base stations had to be replaced. These two decisions opened the door for Ericsson and allowed it to capture the contract.

The final order was for 368 radio stations, 65 percent of the radio network, as Wataniya decided to divide the market geographically between the two suppliers.

Ericsson has subsequently secured two expansion orders.

Per Uppström explains: "In terms of EDGE we were very aggressive. It was a decision taken by the entire company that we were going to acquire this contract. When we talked with Wataniya we told them that we wanted to enter their network."



Per Uppström

The actual job is best described as one of the most difficult roll-outs that can be undertaken: to change equipment in another supplier's network with only minimal disturbance to the then 800,000 demanding subscri-

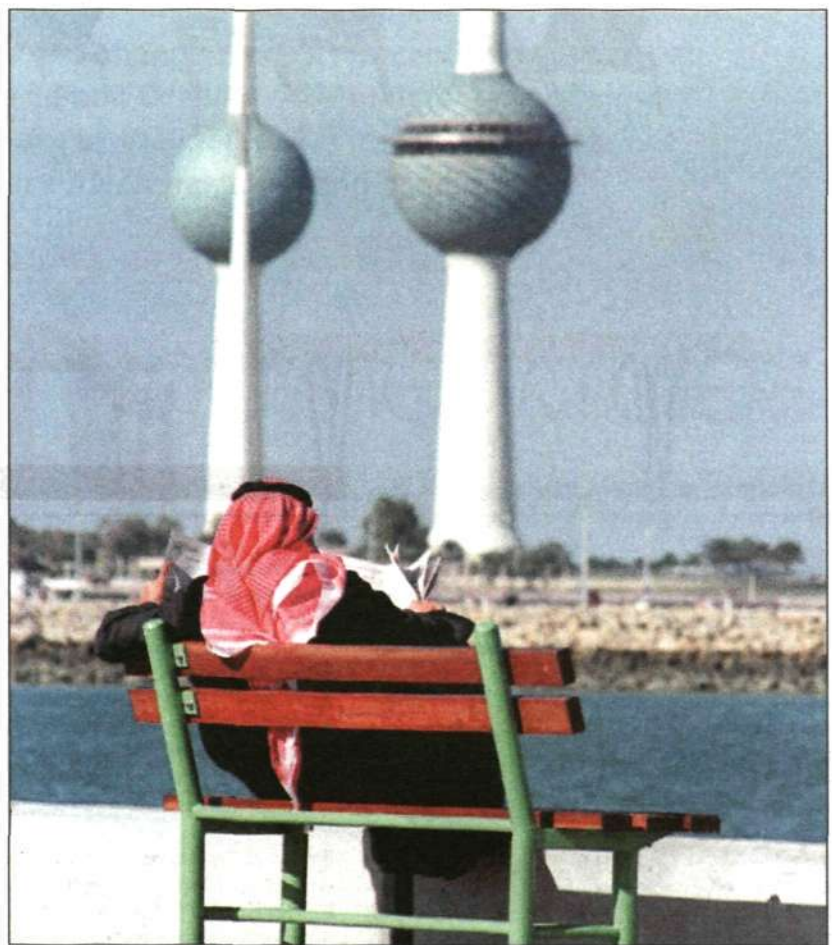
bers. This was also within the framework of a key strategic transaction for Ericsson.

The work started in November and was completed four weeks ahead of time. The result for Wataniya was a better network and a stronger trademark.

"Now we can deliver data to our customers at 'red carpet speed' and that's exactly what we asked for," Koponen says.

It was a crucial test for Ericsson, Uppström says. "Everybody involved did a fantastic job. Had we been unsuccessful in bidding for this contract or failed in our task, we would have been eliminated as a supplier to Wataniya."

A factor that contributed to the success was that people working on product development in Linköping, Sweden, came from Kuwait. Having Ericsson's most advanced support competence on site also showed Wataniya that Ericsson was taking the contract very seriously.



Wataniya can relax... Ericsson has helped strengthen their position in Kuwait.

Gunnar Wickström was the first of six people who traveled to Kuwait to work on the swap out. Typically, he and his colleagues visit only the most mature markets, such as Italy and Germany, or countries with the largest customers, such as the US and India. This allows the team to solve well-defined problems where network specifications are good.



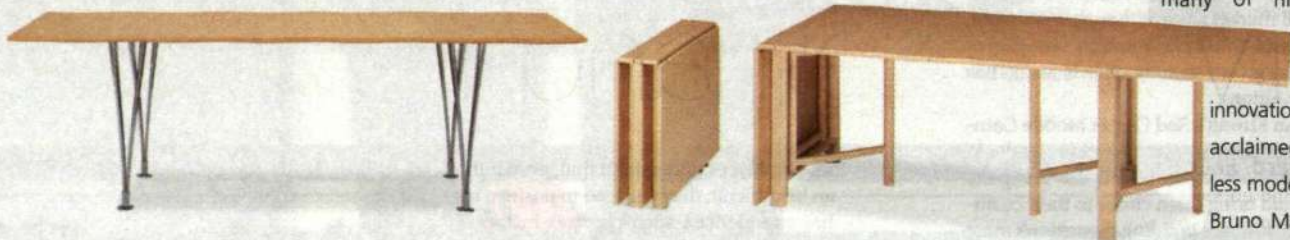
Gunnar Wickström

"This was a different type of job," he says. "The physical swap out was one thing, they then needed help with technical problems: how they would dimension the system and activate and optimize the network. We helped to specify how the network would look, an area that we would normally not be involved in. It was a challenge."

# CLASSICS

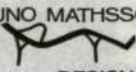


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Professor Bruno Mathsson needs minimal introduction. As his country's most distinguished furniture designer he gained an international reputation for Swedish design and his work over a fifty year period will remain a significant contribution to Sweden's design history. That he stood at the leading edge of furniture-design is reflected in that many of his designs,

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"Taking Me Forward" is the name of a change program recently carried out at Market Unit Australia, New Zealand and Oceania (ANZA). It is paving the way for a cultural shift made necessary by the increasing importance of service delivery, an area where ANZA has a leading position.

## Services demand new roles

**Simon Gatward**, head of Services at ANZA, says that, as the name implies, the program deals with employees and how they can contribute best as the service area becomes increasingly important. "Here at ANZA, about half of the market unit's income comes from the service side and the area is growing," Gatward says. The program started in February, and when it wound up in July, all 1300 employees had taken part. This is the first program that has involved every employee.



Simon Gatward

It was run in two parts at each site within ANZA: one half-day for managers, who got to learn why the changes could be perceived as difficult, and then a whole day for all employees. Senior management took part in the first part of every program.

Taking Me Forward is designed to lead to the creation of a change process. Gatward knows how impor-

tant it is that employees understand that, even if the changes can be difficult, they will lead to positive results. He has experienced such changes in the IT world and implemented a similar scheme at his previous workplace, Unisys, in Australia and South Africa.

**Developments within** the telecom industry happen quickly. Competition between vendors is getting tougher and the price pressure greater when new companies, including some from China, enter the market. An important part of Taking Me Forward is getting employees to understand what is driving the market, and how Ericsson and its customers are affected.

"Although the program is now complete, we will continue to push this message, to build the groundwork for a new corporate culture," Gatward says. "It has to come from the employees. You cannot start creating a new organization without understanding and commitment from the employees."

Participation from the workforce creates a com-

mon thread through the entire change process. In practical, everyday work, the changes are connected to "Our Ways of Working."

Gatward says the lessons from Taking Me Forward will also be useful for employees in their private lives. It deals with understanding why change is necessary and why it can be difficult.

**ANZA has identified** five behaviors that will characterize the culture of the future. "Culture is the way we do things here," Gatward says. "It's all about working in teams, taking responsibility, wanting to win, putting the customer at the center and, last but not least, having fun."

Progress in the change process will be followed up every sixth week, to identify what obstacles are met on the way. The mini Dialog survey, which was carried out in recent months, shows improved commitment from employees. "We will shortly follow-up on the Taking Me Forward program, and sharing experiences will be an important part of that," Gatward says. •

### Contact asks three employees how the Taking Me Forward program has helped them

#### Todd Smith, Sydney

"The program gave me time to think about my career and the telecommunications industry in general. A key message from the course is that individuals manage their own careers, not Ericsson. The company has made it clear that change is happening so quickly that in the future changes may have to happen with out the same level of communication provided in the past. This itself is invaluable to help employees understand or accept changes in the future."



#### Lydia Lye, Melbourne

"One of the things I got out of the program was the chance to evaluate where my career is progressing. After nearly one year in a new role I need to begin thinking about what my next challenge is and what steps I need to make to ensure that I am moving forward and continuing to develop. A good quote is that 'you don't stand still, you either move forwards or backwards' and I want to make sure that I continue to move forwards."



#### Peter Cullum, Melbourne

"The focus of the Hardware Support Team is to drive changes both within our team and in our interaction with customers. We can no longer exist by relying on our current customer contacts, most of which consist of supporting obsolete equipment. Instead, we realize that we need to grow our business area and seek new opportunities."





The mobile office has set sail in the form of the cruiser Enterprise. Owner Lars Evert Lindberg is a perfect example of how business owners and their employees can **benefit from taking their office with them**. And the Enterprise is making waves in the corporate telecom market.

# Show boat sets sail for Enterprise

**There has always been great** potential in the market for mobile businesspeople. Research shows that they, after all, are willing to spend up to four times more money on communications than average mobile phone users. But honestly, how thrilling can it be to talk about PBX and services for office exchanges? It wasn't, until recently.

Ericsson's Mobile Office offerings are making waves on the business market, thanks in part to the Enterprise, a 12-meter long Princess Cruiser owned by Lars Evert Lindberg. The boat is outfitted with all the latest equipment from Ericsson's Enterprise business unit.

Jan Kleist, head of sales for Ericsson Enterprise, says this unique environment works in favor of a business that has a rather drab reputation: "Many believe we just offer products, but this shows that this is a new way to really run your business. This is not a demo room or a specially created event. This is real.

"You can show how simple it is to run remotely what you need for a small business."

And that is where Lars Evert Lindberg comes in. He runs a business with headquarters in Heikendorf, Germany, but with a factory outside Stockholm (Nacka). His business is modems, so naturally Lindberg is interested in communications and keeping up with the latest developments.

"When the company started in 1984, our first investment was a telex machine. That was state-of-the-art communication then. With the possibilities we have now, we're in heaven," he says.

On the boat are two computer screens connected to the internet via 3G, a GSM fax machine, and Lindberg's telephone. His tools of choice are e-mail and his calendar.

"To get the function I need, I only need my P910. It's online and updated continually. I get all my mails immediately when they come in, and when there's a change on my calendar, I see it on the phone. I have the same functions on my phone as if I'm in the office. If I'm calling from my telephone, it shows my office number.

"And when anyone needs to reach me, it's one

number. I can be anywhere in the world, and they reach me at the same number."

Lindberg sounds like a made-to-order Ericsson story. Indeed, word of his floating office reached the ears of Ericsson Enterprise management and now the cruiser is available for visits. The timing, says Kleist, couldn't be better.

Kleist says operators have yet to tap an enormous market that is willing to shell out for mobile communications. "The trend of mobile business started many years ago but now the technology is really there. In Europe, more than 80 percent of all employees work in small enterprises."

Ericsson understands the dual perspective of the operator's need to provide for this market as well as the needs of the end users. "What end users need is something simple to use, that will improve their day-to-day activities and lifestyle. If they know the cost, they are prepared to pay for this," Kleist says.

He says the floating demonstrations fit in nicely with Ericsson's greater story of an all-communicating world. "With our Mobility World, which brings application providers to us, and with Sony Ericsson, we can create end-to-end solutions. All this together shows that we are in a good position to mobilize the enterprise."

Lindberg says he is living proof that Ericsson's Mobile Office solutions are easy and beneficial to use.

"I have my office whenever I want it and wherever I stand. I can do more in less time because I don't have to travel so much. That makes quite a dramatic change in my way of life."

You can choose to have more spare time, or you can choose to do more business, more efficiently. Or, you can be like Lindberg and do both. "If you like being on a boat, it's of course great being able to work on the boat. It's the best of both worlds," he says with an enviable smile.

“Many believe we just offer products, but this shows that this is a new way to really run your business. This is not a demo room or a specially created event. This is real.

Jan Kleist



Lars Evert Lindberg and Jan Kleist with the Enterprise.



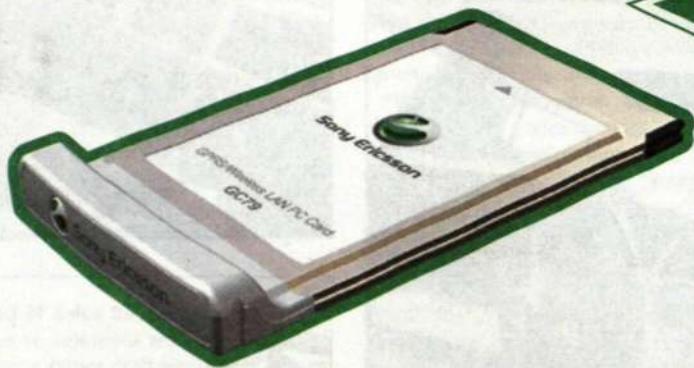
**facts: on board the Enterprise**

- MX-ONE, Solidus eCare, and 3G Mobile Extension & VIG (video gateway-video conferencing over 3G phones).
- Mobile data solutions such as push e-mail.
- Operator enterprise solutions such as Wireless Enterprise Network Solution (WENS) and Ericsson Mobile Extension (EMES).
- From Ericsson Mobility World: CRM (customer relationship management), Document Sharing, Mobile Navigator and Business Portal.





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**Sony Ericsson**

# Sales full steam ahead

Under the motto "Sales Way Forward," Ericsson is making it clear that new times are on the horizon. Using the pyramids as a metaphor, we are now halfway to the summit – the Excellence in Sales target for 2008.

**Fewer but larger companies;** operators that have realized they must offer more than telephony; more intense competition as the telecom and IT sectors move closer to each other increasingly rapidly – Ericsson is better equipped than ever to cope with these new conditions and become a market leader in areas including enterprise, national security and the media market.

"With 'Sales Way Forward,' a new era is dawning," says Bert Nordberg, head of Sales and Marketing. "Our main focus is to achieve maximum growth together with our largest global customers, with whom we will work in partnership to find new business opportunities."

The new sales strategy involves focusing on those customers who are most important to Ericsson and offering them the best resources. When the customers are fewer, larger and more global, they have incredible purchasing power, and Ericsson's role is to be the equal partner that best meets their needs. The strategy also calls for sensitivity – being able to listen to and understand customers' specific needs and supply customized project solutions. This in turn demands a sales force with specialist expertise in such new areas as the media and music markets, where demand for content services is already substantial in the mobile telephony segment. The third part of the strategy is a continued focus on internal efficiency – apprehending the "time thieves" within the company's own sales organization.

**Henry Kings, head of Sales,** says: "Today, the sales force has a greatly enhanced commonality of purpose, thanks to a common platform, a common language and common knowledge-transfer tools.

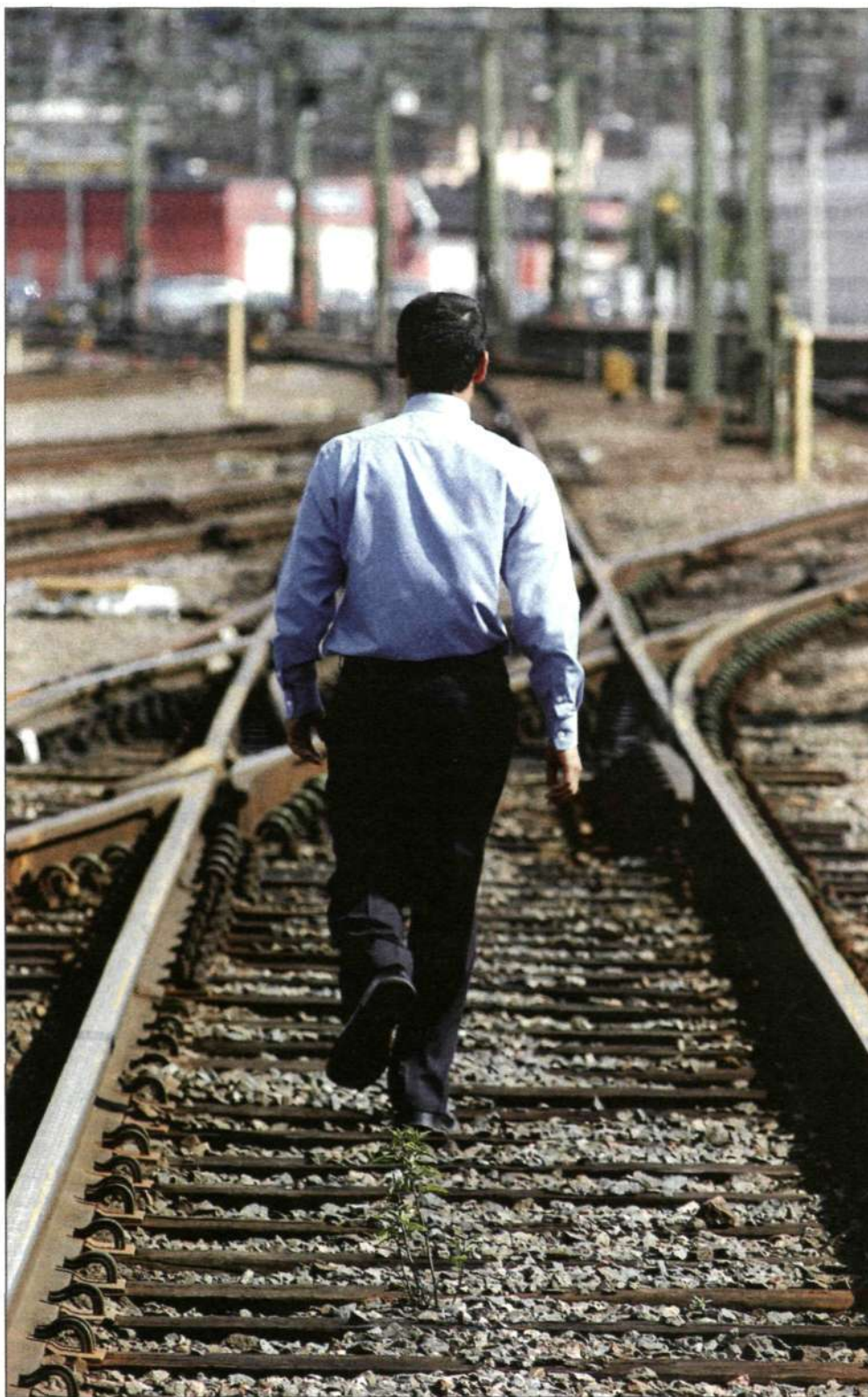
"Other key prerequisites for creating a dynamic sales culture are clear requirements and clearly defined bonuses if you succeed. The response from sales personnel has been fantastic, and the word is spreading about our successful change process. Today, we receive many external inquiries from highly competent sales personnel who want to work for us."

The sales culture – the concept that good performance brings rewards – is established, so now it is a question of continually growing and turning competence and experience into hard cash. By constantly simplifying and fine-tuning their methods and processes, sales personnel can put all their concentration into securing growth.

"As well as improving in terms of listening to the business environment, we are currently devoting a lot of internal effort on how to control margins, what we sell to whom and what sales targets are pertinent, as well as focusing on what produces a satisfied customer in every single instance," Kings says.



Henry Kings





The green area shows the zone around the antenna where the field can be higher than the established exposure limit. On the street the field is below 1 percent of the limit.

# Way below the limit

Mobile networks continue to expand and more base stations are required to handle new subscribers and services. This expansion has led to **some concerns that the radio waves can affect health**, but the electromagnetic fields from the antennas are in fact extremely weak, well below established safety limits.

**The Ericsson Research unit** dealing with electromagnetic fields (EMF) and health receives e-mails asking about "radiation" from mobile telephones and base stations, both from inside and outside Ericsson.

Christer Törnevik, head of the unit, says there is a need to inform people even more about this issue.

He particularly wants people to know that there are established limits for "radiation" – more correctly expressed as radio waves or electromagnetic fields – from mobile telephones and base stations. These exposure limits, which are based on extensive research, are set by independent expert organizations, and they include a large safety margin.

It is just as important to emphasize that Ericsson's base stations and other radio products meet these limits and official requirements, which are often based on recommendations from the International Commission on Non-Ionizing Radiation Protection (ICNIRP), which cooperates with the World Health Organization (WHO).

The radio waves used within the mobile network

are of the same kind as those used for many years in radio and television broadcasting. And there is nothing mysterious about radio waves in the 3G networks either; they are in principle the same as the GSM network's. In general terms, the frequency bands used for radio communication – which includes mobile telephony – are a long way below the high frequencies of X-rays and gamma radiation which have ionizing effects.

Base stations in the mobile network also transmit at relatively low power, about one-thousandth of a normal TV transmission. This can be explained by the fact that base stations are placed more closely together to be able to handle many users (every base station can deal with only a certain number of users). And the closer the distance between base stations and mobile phones, the less power is required. Having more base stations does not therefore mean that exposure to radio waves increases. This principle also applies to the smaller base station antennas mounted on the ceiling indoors, at offices or other premises. The output power from these is no

higher than those from a normal mobile. And Ericsson's MINI-LINK radio links, which are mounted on masts and send broadband information between two parabolic antennas, normally use no more power than a mobile telephone, less than 1W.

**The term compliance boundary** is used when measuring the electromagnetic field around a base station antenna. This describes the zone around the antenna where the field can be higher than the established exposure limit. For most antennas, this compliance boundary can be described by a cylinder, of about the antenna's height and up to a few meters in diameter. Outside this area, the electromagnetic field is below the limit.

Two limits are established (and two compliance boundaries), one for the public and one for professional personnel. The latter group, which has experience and understanding of antennas, base stations and radio waves, can get closer to the antennas, which are placed, due to safety reasons, so that unauthorized people cannot come too close.

Antennas often direct the radio waves in a particular direction. This means that an antenna mounted on a house wall sends radio waves out, away from the house, and not inwards. It can be likened to a car's headlights, which light up the road ahead of a car, not inside the vehicle. This means that the field inside a building with a wall-mounted antenna is very low; even the field in the apartment just inside the wall with the antenna is normally no stronger than the field from another, more distant base station or a TV transmitter.

One property of an electromagnetic field is that its strength decreases rapidly as the distance increases. Together with the directivity of the antenna, this means that people on the street beneath a wall-mounted antenna are exposed to very weak fields.

There are four main types of antenna placement used in mobile networks. The antenna can be mounted on a mast, on a rooftop, on a wall, or inside an office or other building.

A typical mast-mounted base-station antenna, for a 3G network for example, normally has maximum power of 20W. This level varies depending on the number of users and the type of services. The compliance boundary in this case reaches 3m out from the antenna; at ground level, the field is 0.01 percent of the limit.

An antenna mounted on a rooftop or a wall in a city often transmits at lower power, typically 10W, and then has a compliance boundary of about 2m. Down on the street, inside the building and at other locations where people normally are present, the field is below 1 percent of the limit.

People often ask about indoor antennas because they are placed relatively close to people. The output power from an indoor antenna is however lower than 1W and the exposure levels are below the limits already at a distance of between 0 and 10 cm, depending on output power and antenna type. Inside an office, such as a workplace, the field is below 1 percent of the limit.

All these factors show that the fields from antennas in mobile networks are well below the limits and that there are no health effects connected with them. So why is there concern from the public and an ongoing debate?

"It has a lot to do with information and understanding," Törnevik says. "We see these discussions come up where new networks are deployed, for example 3G networks. We are taking this seriously and try in different ways to inform people and present facts. It is important that we have a dialogue with the public about these issues and we have now developed a new course for our operator customers."

Törnevik says research into potential health effects from radio waves has been going on for a long time, and is continuing. These studies are carried out by independent research organizations, not by Ericsson or other mobile equipment manufacturers, to reinforce their credibility. However, through independent groups Ericsson financially supports several research projects recommended by the WHO. Several expert groups and authorities, including the WHO, have all reached the conclusion after reviewing all the research, which has been going on for many decades, that there are no demonstrable health effects from the use of radio waves below the prescribed limits.

"We follow the research and test new products to meet existing requirements. On top of that, we support our customers and give them help in these questions," Törnevik says.

# Testing times for all new base stations

For Ericsson to be allowed to sell radio base stations, it has to ensure that its manuals include information on electromagnetic fields and compliance boundaries. This information is used when an operator installs the base station.

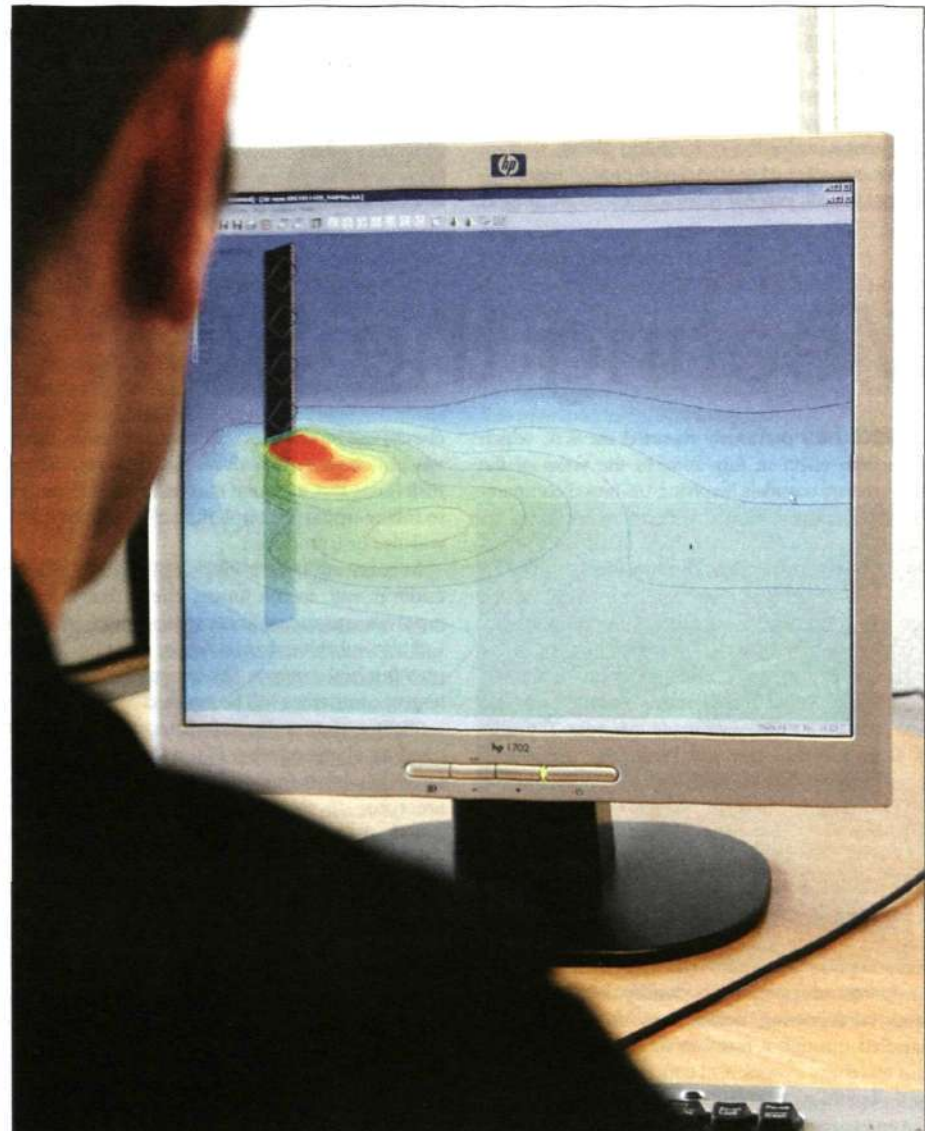
Lennart Hamberg, head of the Ericsson Research unit in charge of base-station EMF measurement and calculations, says: "We design our base stations to meet the requirements."

This is done in three ways. The most common is a numerical computer simulation based on the type of base station (macro/micro), antenna, configuration and specified output power. These factors come from the design unit that develops the base station. The result of the calculation shows the field strength distribution around the antenna and, based on this data, the compliance boundary can be determined.

With smaller base stations, such as pico or indoor base stations with output power levels of less than 1W, direct measurements are performed in the lab, almost the same way as mobile telephones are tested. The base station antenna is placed in proximity to a human body model, a "phantom," and measurements are taken at different distances.

The third method, which so far only has been used for a few large base station antennas, is to measure the fields around the antenna in Ericsson's major antenna test facility in Mölndal, Gothenburg.

A handful of new base stations are developed every year, and all must include information about electromagnetic fields. The calculations take from a few days to a few weeks, depending on whether previous calculations can be reused.



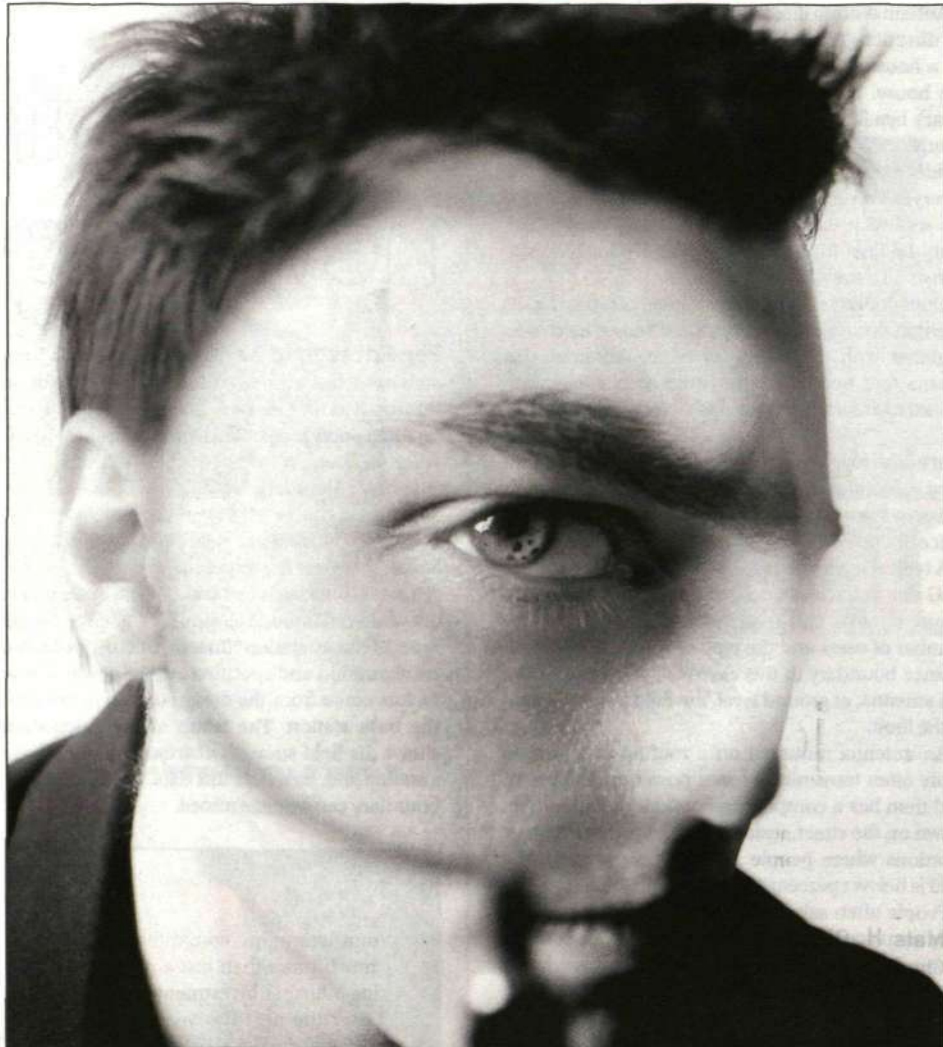
Calculated electromagnetic field strength distribution around a typical GSM 900 sector antenna. Different field strength levels are represented by a range of colors at the screen where red represents the maximum levels close to the antenna and blue the lower levels further away from the antenna.

Read more at

 <http://internal.ericsson.com/health>

update

text: jonas blomqvist photo: pressens bild

editor: johan kvickström for the latest news: <http://internal.ericsson.com>

Ericsson's 25 largest companies, including Ericsson AB, will soon meet the requirements of the Sarbanes-Oxley (SOX) Act. The US legislation puts companies' financial reporting processes under the magnifying glass.

"It's a matter of method and order," says Mikael Norell, project manager for SOX at EAB.

## Meeting the SOX challenge

**Contact** has previously reported on SOX, which came into effect in July 2002 in the wake of the accountancy scandals involving US-based companies Enron and Worldcom. The legislation raises the demands on quality and reliability in financial reporting by major corporations.

**ericsson** Some time ago, the deadline for non-US companies to achieve SOX compatibility was extended by a year to December 31, 2006.

"However, internally, Ericsson wants to achieve this earlier," Norell says. "For this reason, the 25 largest companies are to be ready this year. The next 25 largest companies will begin the process of introducing SOX at the end of the year and are to be ready during the second quarter of 2006." Norell is heading the project at EAB, Ericsson's largest company.

The internal process at the first 25, and largest, companies is now nearing completion. Ericsson initiated its SOX efforts in March 2004 and has, to date, kept to schedule. The legislation requires company management to identify risks relating to financial reporting; decide how these should be handled through a number of checks; document and test these checks; and conduct a review of how well all of this works.

As a consequence, 424 check items were introduced into Ericsson's administrative systems throughout the world at the beginning of the year. Most of these apply to all companies, so the number of

checks will be extensive. In concrete terms, directives, policies and procedures have been introduced. Risk Navigator, a system that will be used internally to follow-up on the implementation of the checks, will also be introduced.

In connection with their annual audit, external auditors will, in the future, check that Ericsson's reports are prepared in accordance with SOX. They will also submit a special report regarding companies' internal controls. The external review of the 25 largest companies will be conducted during 2006.

"Before that, Ericsson's internal auditors will conduct a large number of tests to ensure that SOX really has been implemented and that measures are taken to rectify any shortcomings that are noted. The companies in line after the 25 largest will be able to do the right thing from the outset, because they will be able to see what we needed to correct," Norell explains.

To a certain extent, SOX is about clarity in responsibility and authority, as well as procedures that are simple to follow and making it easier to check figures. In this respect, the legislation is in line with Ericsson's objective of achieving "operational excellence."

Annika Nilsson-Dittrich is a consultant and has been working with the introduction of SOX for Ericsson and other companies.

"SOX must be implemented and maintained and you could say that Ericsson is using this as a batte-

ring ram," she says. "Ericsson is rolling out common processes in the area of finance at the same time as introducing SOX. Many of the world's major companies are affected by SOX, but combining its introduction with efficiency improvements is unusual."

Once SOX has been introduced, the global and local implementation projects will cease.

Norell says: "It is important to emphasize that the projects will disappear, while SOX will live on as a natural part of operations."

### facts: sox

SOX is a US law intended to ensure reliable accountancy and improved financial reporting in order to protect companies' employees and shareholders. Among other things, it entails the requirement that documents dealing with financial flows are registered to allow subsequent checks and that attestation rules are tightened to counteract the possibility of doubtfully approved decisions. The law also allows for more severe sentences for corporate leaders if rules are not adhered to. SOX is described as the most extensive change in the area of corporate controls in years. The men behind the legislation were Democrat Senator Paul Sarbanes and Republican Congressman Michael G. Oxley.



Carl-Henric Svanberg and Mats H. Olsson make their presentation in Shanghai. Photo: Ericsson

## Major investment in China

On September 7, Ericsson began its fifth Asia Strategy & Technology Summit in Shanghai, China, highlighting its commitment to the fastest-growing telecom market in the world with the announcement of USD 1 billion in new investment in China.

**Mats H. Olsson**, president of Ericsson Greater China, stresses the importance of the event. "APAC is still telecom's fastest growing region in absolute numbers and China is at the forefront of the telecommunications industry in terms of subscriber volume, potential and innovation, and also in competitiveness," he says. "In this context, it is crucial for Ericsson to communicate its vision, business strategies and technology leadership to key media, industry analysts and investors in the region."

Ericsson's partnership for progress with China is also in the spotlight. "At the summit, we also em-

phasize our long-term commitment to China, which is much more than just a market to us, by announcing a further investment of USD 1 billion in China over the next few years, in addition to continued, significant local purchasing," he says.

About 200 journalists, analysts and investors from China, the Asia Pacific (APAC) region, Europe and the US are attending the summit for an update on Ericsson's market view, vision and strategies and its latest array of solutions and services.

In 2004, Ericsson President and CEO Carl-Henric Svanberg underlined the company's commitment to APAC and highlighted the benefits of solutions

such as Ericsson's Expander offering. The same key message of commitment will be relayed this year, but in terms of technology. Emphasis will be on HSPDA (High-Speed Downlink Packet Access), the steady growth in GSM and all-IP networks.

Ericsson aims to underline its position as a leading end-to-end provider, with a great consumer understanding, good relationships with customers, and innovation in R&D and applications.

In this field, the professional services offering is very important, especially services such as content hosting and managed services.

"This year we have the highest number of people to register for the summit, and one-third of them have followed Ericsson very closely by sitting in the past summit meetings. They are highly appreciative of our ways of communicating to them through this open platform," Olsson says.

## Stronger position in Portugal

**Ericsson has signed** a five-year deal to operate the mobile and fixed networks of Portuguese telecom group Sonaecom, further bolstering its position in the managed services area.

**ericsson** The breakthrough deal took effect in mid-July, with Ericsson taking over the field operations of Optimus (2G/3G) and Novis, the mobile and fixed brands of Sonaecom. Ericsson has also taken on and trained 54 Optimus employees affected by the deal.

Bo Carlgren, regional manager, Managed Services, says it is Ericsson's first major managed services contract in Portugal and that the Sonaecom deal further fortifies Ericsson's position in the Portuguese managed services market. In July, Ericsson won a Softswitch solution deal with another Portuguese operator, ONI, which also included managed services.

Optimus is the third largest mobile operator in Portugal and Ericsson has been its supplier since 1998, when it started operations with a GSM network. Novis, on the other hand, is a leader among the new fixed-network carriers.

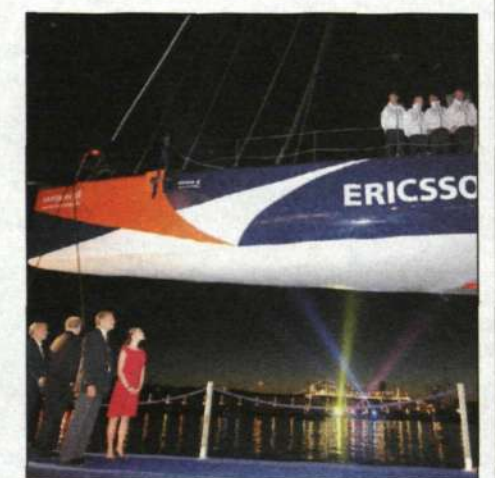
## Ericsson racing yacht christened

**The Ericsson yacht** for the Volvo Ocean Race marked its official debut on August 18 in a dazzling christening ceremony led by Sweden's Crown Princess Victoria.

**ericsson** The event, which took place at the Gothenburg Opera House, drew hundreds of spectators, including key customers and Ericsson market unit representatives. Among the distinguished guests, apart from the Crown Princess, were Ericsson's team partners in the VOR event Sony Corporation Chairman and CEO Howard Stringer, and Semcon CEO Hans Johansson.

The christening ceremony began with the presentation of the Ericsson Racing Team, spearheaded by skipper Neal McDonald. Princess Victoria then christened the boat with one swift pull of a rope that brought a champagne bottle smashing against the hull of the VO70 yacht. "I name this boat Ericsson, and may she and all who sail with her have a safe and a swift journey," said the Crown Princess, who is the "godmother" of the racing boat.

Afterwards the boat - with the 10 crew members on board - was lifted by a crane, elevating it against



"I name this boat Ericsson, and may she and all who sail with her have a safe and a swift journey," said Crown Princess Victoria.

a backdrop of a spectacular fireworks display. As the yacht was lowered into the water, Ericsson Senior Vice President for Communications Henry Sténson challenged the crew: "Be the first back in Gothenburg next year!"

the last word

text: gunilla tamm photo: sean macleod

## Winning words write ticket to Geneva

Svetlana Skvortsova has swapped her normal workplace at Ericsson in Moscow to work as a consultant at the International Telecommunications Union (ITU) in Geneva for three months. Her essay Making the Internet Mobile, entered in the Young Minds in Telecom competition, won her an internship with the ITU's Strategy and Policy Unit (SPU).

**S**kvortsova, who started work with Ericsson in Russia in February 1998 as an undergraduate student, now works in the Marketing, Business Development and Sales Coordination Department of Market Unit Eastern Europe and Central Asia.

"I browse the ITU website regularly. It is a precious source of information for a business developer and that was where I read about the essay competition," she says. Skvortsova was one of more than 90 participants from around the world.

"My essay deals with challenges and opportunities involved in making the internet mobile in Russia," she says. "Thanks to my work in Ericsson I have gained a good understanding of Russian operators and the mobile market, which gave me an edge over other contestants."

As well as working full-time with Ericsson, Skvortsova is studying by distance education for a master's degree in communications management through Coventry University Business School in the UK. She hopes to get her degree in a year or so. "I won a scholarship in a competition that helps me with my studies. I love challenges," she says.

Skvortsova's work at the SPU has focused on a new ITU internet report, called The Internet of Things. She finds the work stimulating and exciting. "My work with Ericsson is mostly about contemporary wireless communication technologies," she says. "Here it has to do more with visions of the future, enabled by emerging technologies such as RFID (radio-frequency identification) and wireless sensor networks."

The Internet of Things report explains how ubiquitous networks comprising an ever-multiplying number of wireless sensors and RFID-enabled objects are becoming reality. At a time when people, especially those in more industrialized countries,



As a consultant at the ITU's Strategy and Policy Unit, Svetlana Skvortsova is looking to the future in her work on The Internet of Things report.

have almost all their communication needs fulfilled, communication between objects, such as smart home applications, opens a new world of commercial opportunities for vendors, operators and service providers.

"A few years ago Ericsson was talking about 'The New Telecom World,'" Skvortsova says. "It was supposed to be a result of convergence of computers, mobile communications and media industries. When I started working with this report, it almost felt like déjà vu. Now we are really approaching that new world but on a much broader scale than I had expected before the internship."

She says she enjoys her work at Ericsson for the

wonderful team and the opportunity to follow developments in the telecom industry. "During my seven years with the company I have been an eager witness and modest participant in the commercialization of several waves of technological innovation, such as WAP, GPRS, EDGE and 3G," Skvortsova says. When she looks five years into the future, she expects to still be with the company but possibly working for a smaller subsidiary dealing with the development of future products.

You can read Svetlana Skvortsova's winning essay at

[www.itu.int/osg/spu/contest](http://www.itu.int/osg/spu/contest)