

mmO₂





Isle of Man 3G Showcase - One Year On

Mark Briers
3G Project Director
Manx Telecom



Agenda

- Short History
- Isle of Man '3G Showcase' status
- Services and applications



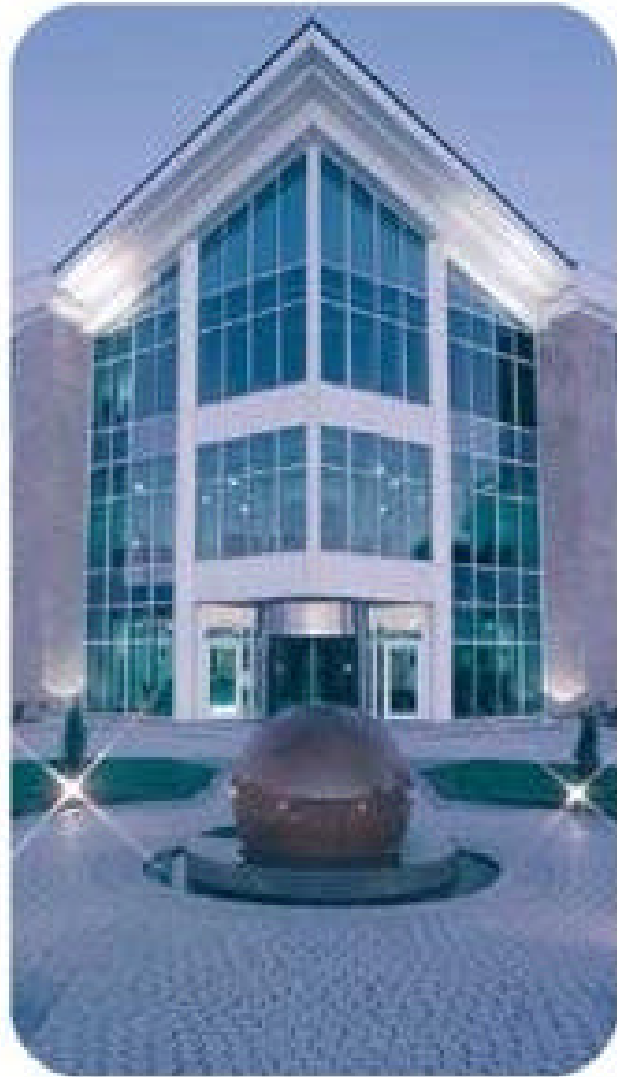
Why the Isle of Man?

- Supportive Government
 - e-commerce initiative
- Supportive parent company
 - O2 data leadership
 - microcosm of larger markets
- Showcase for partners
 - cost effective learning
 - PR and customer events



Manx Telecom

- Fixed, Mobile and Internet Services
- 280 Employees
- 55,000 Fixed Lines
- 52,000 Mobile Customers
- Early Roll Out of New Technology



Potted History

- 3G Network installed and commissioned Dec 2000 - July 2001
 - NEC Network
- 28 Node B's giving near-full island coverage
 - CCI installation Team
- Applications centric approach to network design and delivery
 - Various Partners
- Installed new service management platform – IP billing
 - Cerillion and Xacct
- Alpha/Beta trials during Sept/Oct 2001
- Preparing for launch before end 2001





The background is a solid blue color. In the upper right quadrant, there is a large, semi-transparent blue sphere. Below it and to the left, there is a smaller, semi-transparent blue sphere. Both spheres have a bright white highlight on their upper-left edge, giving them a three-dimensional appearance.

Isle of Man 3G Project Status

3G Showcase Press Launch - December 4th 2001

THE DAILY TELEGRAPH Wednesday, December 5, 2001

One small step for Man, one giant leap for phones

Jonathan Lambeth reports on the island trial of next-generation mobile handsets

MOBILE phone operators may have been the masters of outrageous hype over the past few years, but sending and viewing pictures, video and e-mails on your mobile phone is finally possible – if you are one of 200 people who live on the Isle of Man.

The island, a mix of rural locals and tax-limiting businessmen, is home to Europe's first public commercial trial of third generation phone services, or 3G as it is known in the acronym-loving world of technology.

But there seems to be no reluctance to give 3G a try, with 10 times as many people wanting to trial the service than MmO, had compatible handsets.

Yesterday it demonstrated 3G for the first time, admittedly many months late, but in pretty good working order for a service a year away from UK launch.

It leaves WAP and GPRS, its technological predecessors, standing in terms of speed, though there is precious little internet content suitable for a screen



3G Showcase - Customer Trials



- 200 Single mode devices
- Handsets distributed to targeted segments
 - key customers & opinion formers
 - local technology/software companies
 - visiting application developers
- Showcase tariffs
 - initially free, charge from August
- Detailed market research program

3G Billing and Customer Care System

Manx Telecom Online - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Address Links

control £ @ home

manx telecom

home // shop // media centre // about us // careers // contacting us // comments // links //

0 items in cart

My Account Home

- Modify My Profile
- Call Analyst
- View My Bills
- Pay Account
- Track My Faults
- Get My PUK Code
- Privacy Policy
- Logout

Secure site
Click to Verify
TrustWise
BT
In association with VeriSign

Welcome to Manx Telecom Online Services

This is the *new* convenient location from which you can monitor all your Manx Telecom accounts. Managing your account is easy online. You can check your itemised calls, monitor your call charges before you are billed, and make payments online. To return to this page, click the **My Account** button in the left hand menu bar.

Billed Calls Summary

Account Number	Account Name	Outstanding Balance
10024719	ZZ TOM MEAGEEN - 3G SERVICES - UMTS	£3.00
Outstanding Balance Total		£3.00

Unbilled Calls Summary

Account Number	Unbilled Balance
10024719	£88.22
Balance Total	£88.22

Key Fixed Line Accounts


Key Private Circuit Accounts

Key Mobile Accounts

Privacy Policy Statement

Site Copyright © 2002 Manx Telecom Limited

Done Internet





3G Pricing

Pricing options

- Duration for all services
- Event
- Subscription only
- Volume - on and off portal

-
- Quality of service
 - Application subscription

Customers Feedback on 3G Pricing...

“I’d like to see 3rd party goods & services charged to my mobile”

“The subscription charging seems more suitable – although it would need to be tiered to accommodate different levels of usage”

“I’d prefer ‘throughput’ charging. The ‘always on’ aspect of 3G is a benefit of having 3G & I wouldn’t want to be charged for just having it on!”

Pricing Announcement

MMO₂ makes first move in setting prices for 3G services

By Gautam Malkani

MMO₂, the mobile phone business spun off from BT Group last year, has become the first European operator to price the next generation of mobile phone services.

The company yesterday unveiled a set of tariffs to be used in the trial of Europe's first working third-generation mobile phone network on the Isle of Man.

MMO₂ launched the network last year to test both the technology and demand for the high-speed internet and multimedia services offered by 3G.

Although the tariffs are subject to change as the trial progresses, they represent a milestone for the mobile phone industry. Calculating how much customers are willing to pay for data services will be the key to making a return on the billions of pounds invested in 3G.

UK operators alone have paid more than £22bn for 3G licences and are investing a further £20bn on networking infrastructure and handsets.

Based on its initial tariffs, MMO₂ said a typical residential user would be charged £44 a month for using a phone to surf the internet, download music and videos and send multimedia e-mails.

The fee includes a basic consumer tariff of £25 a month for up to 20 megabytes and £1 for each additional megabyte. The total charge was calculated by monitoring typical data usage on the Isle of Man.

For the heaviest business users, the typical monthly charge rose to £88 a month.

The charge does not include voice calls, which, according to the company's latest figures, average at £34 a month for UK subscription customers.

MMO₂ said it was too early to

estimate whether its monthly UK average revenue per user (ARPU) would rise to nearer £80 based on yesterday's 3G data charges. It said usage patterns on the Isle of Man were likely to change after the implementation of the tariffs.

"We will be testing a number of pricing strategies during the trial in order to look at price elasticities," said Mark Briers, MMO₂'s director of 3G.

MMO₂'s initial price structure suggests 3G will cost customers less than the latest generation of mobile data technology – known as GPRS.

The company yesterday unveiled handsets designed to stimulate greater use of existing GPRS technology. Picture messaging, for example, is expected to be a key driver of future ARPU growth.

Additional reporting by Robert Budden

www.ft.com/telecoms

IOM 3G Prices (excluding VAT)

	3G Business	3G Enterprise	3G Consumer	3G Prontonet
Data subscription and data bundle	£80	£50	£25	£5
Free data allowance	100Mb	60Mb	25Mb	1Mb
Charge per Mb	50p	70p	£1	£2

The image features a solid blue background. In the upper right quadrant, there is a large, semi-transparent blue sphere. Below it and to the left, there is a smaller, fully visible blue sphere. Both spheres have a glossy, reflective surface with highlights and shadows, giving them a three-dimensional appearance.

Services and applications

3G Showcase Applications

Video telephony

- Point-to-point video services



On-line games

- Download
- Rentals
- Review and tips/cheats



Live & archive video

- Short clips
- Information
- Entertainment



Location services

- Push information
- Pull information
- E- and m-commerce
- Location specific advertising



Information services

- Games
- E-mail
- Sports
- News
- Public transport
- Entertainment/gambling
- Job adverts



Mobile office

- Corporate intranet services
- Mobile workforce



Customer Feedback on Showcase Applications...

“It really is comparable with my ADSL at home...it’s definitely the way ahead!”

“I’m genuinely impressed!”

“the download speeds are phenomenal!”

“3G delivers the Internet on the move in a way WAP completely failed to do.”

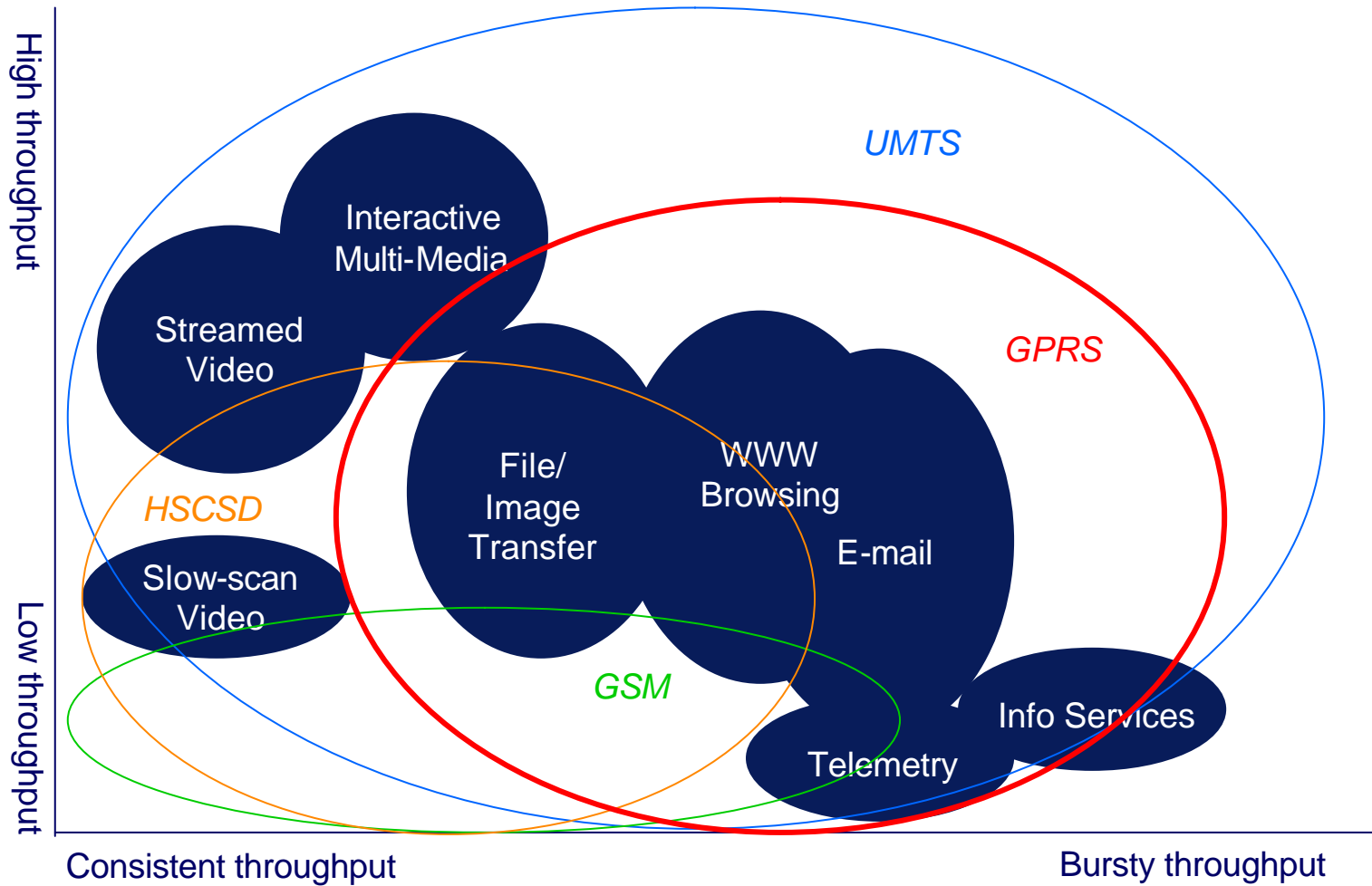
Developing new 3G services

Commercial applications include:

- Multimedia messaging
- M-commerce
- M-banking
- M-casino/sports betting
- Security/surveillance



Application fit – Focus



“The complete TV Mobile Package”



- Partnership with a broadcast content aggregator
- Allows Content Partners:
 - Access to new channel for distribution & revenue generation
 - Increased brand recognition
 - Provides competitive advantage
 - Delivers content to a previously unavailable market

In Test and Development



- Internal trial – CNBC; Sky; BMG; Cartoon network;
- Content/Quality/Price Points
- Possible Product....‘3GTV on demand’ – personalised TV
- Commercialisation on IoM as local station via Mobile

“Building your business”



Case Study: Shell Telecom Bid Process

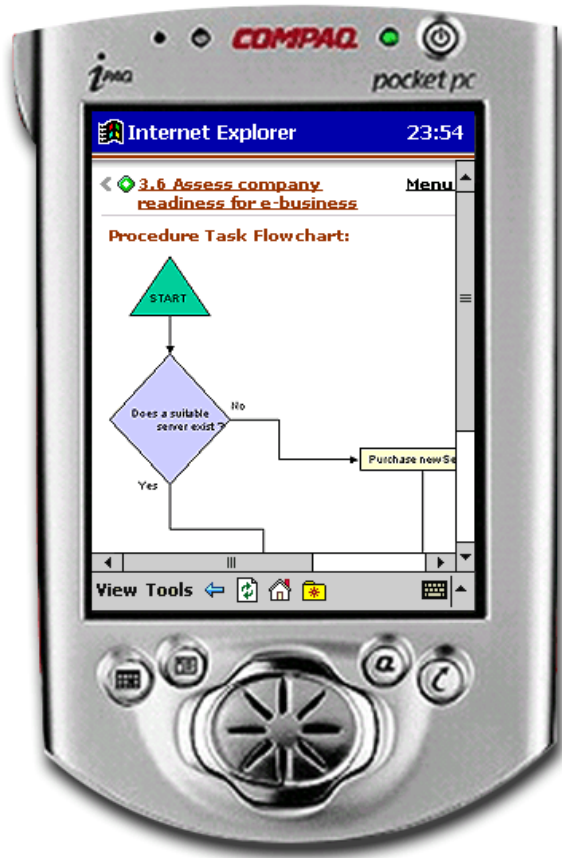
“a powerful tool that enhances global communications and has already saved us time and money. It is a serious yet intuitive piece of software”

Shell Telecom (JV C&W & Shell)

- Allowed:
 - Flexibility allowing faster reaction to customer/partner needs
 - consistent build of process using real user knowledge
 - Saved £1m in first yr –
 - documentation production & management; training; process design
 - ISO9000 satisfied
- Also being used in Lloyds TSB
- Also in discussion with Police force as result of change in ‘Stop & Search’ policy

“Building your business”

processkit 



- Web based interactive process documentation platform available on GPRS via PDA
- 3G benefit is the degree of mobility and download speeds to promote mobile working environment
- Focus on Finance Industry due to new government legislation via FSA

“Your Virtual Financial Assistant”

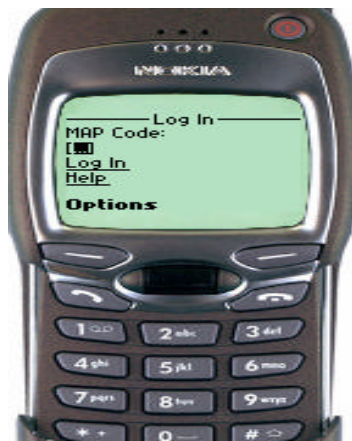


- In partnership with Nationwide:
 - Offering financial advice on various Nationwide products & services
- 3G offers ability of bringing the virtual assistant to ‘life’ – 3D moving image
- Investigating the introduction additional ‘advisory services’ including Legal advice

kiwilogic

“Mobilising the GP - Patient Records/Drug History”

+++++alpha+bravo+charlie+++++



m-care
Date of Birth:
[0312]
or Name:
[...]
Options Back

Smith, Mrs Jane
Female 03/12/1926
123 Anywhere St
Newtown AB1 2BC
01234 567890
Options Back

m-care
[0312]
or Name:
[...]
Find Patients
Options Back

Smith, Mrs Jane
A 21/01 Metronidazole
* 23/12/1999
Ranitidine
* 23/12/1999
Options Back

0312
Smith, Jane
03/12/1926
Smythe, John
03/12/1988
Options Back

Help
The drug history shows
all active repeats (*)
and all acute (A) and
inactive repeats (-) in
Options Back

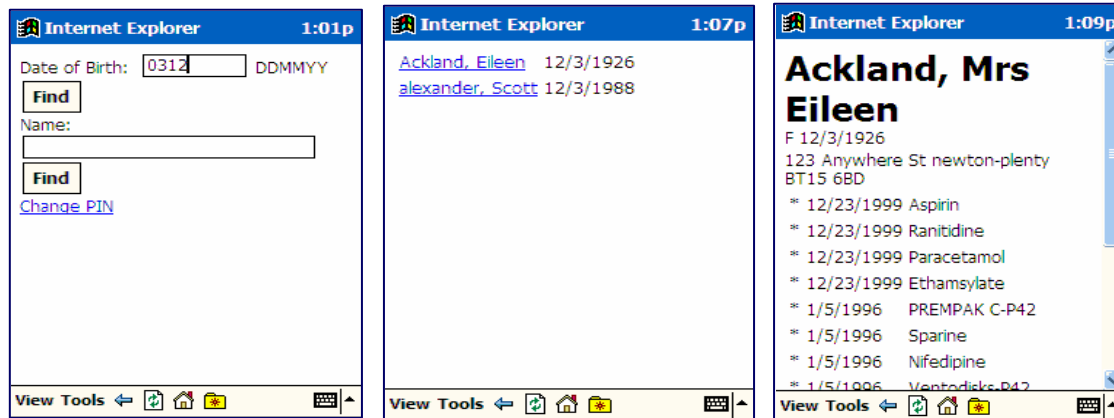
- Access to electronic health records-home/emergency visits
- Provide cost-effective & secure access
- Initial pilot using WAP in association with Scottish

Executive Health Dept

“And the remedy includes 3G!”

+++++alpha+bravo+charlie+++++

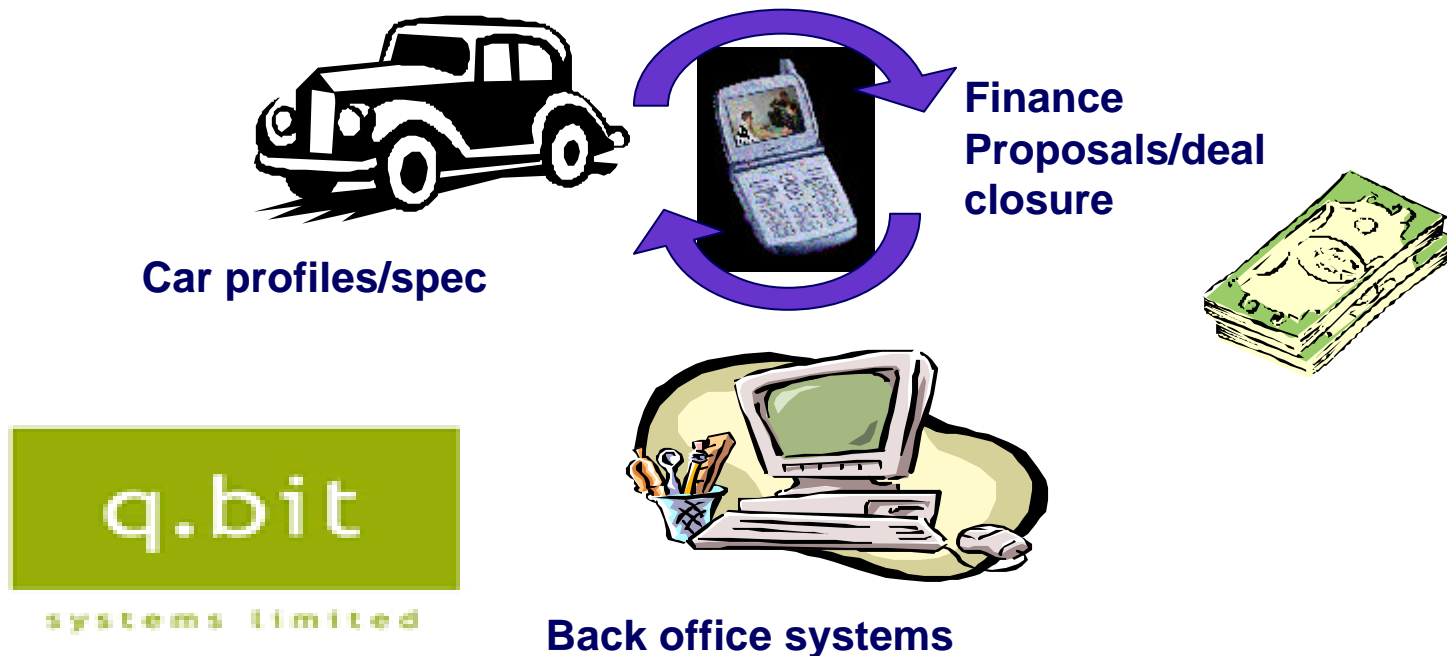
- Advanced pilot is about to start - several practices (PDA/GPRS)
- 3G greatly improve the richness of data and functionality allowing:
 - Prescription order; patient records; lab results; immunisation records/status; appointment booking
- Potential Pilot IOM Health Department on 3G



Taking the Retail Channel to the Customer

“breaking out of the confines of the showroom” *Q-bit*

- 3G benefit is speed of access & content richness
- 3G allows mobile working within sales environment



Technicians Mobile Field Access

- E-mail
- Customer Information
 - Faults and History
- Company Information and Databases
 - Intranet
 - Line Plant Routing and Records
 - Line Testing Systems



Benefits

- Automation of fault allocation and clearance
- Allows staff re-direction/re-allocation
- Immediate answers to customers queries
 - Costs
 - Tariffs
 - Products
- Creates professional company image



Benefits

- Increased efficiency and productivity
- Average faults cleared per technician :

From 4.29 per day

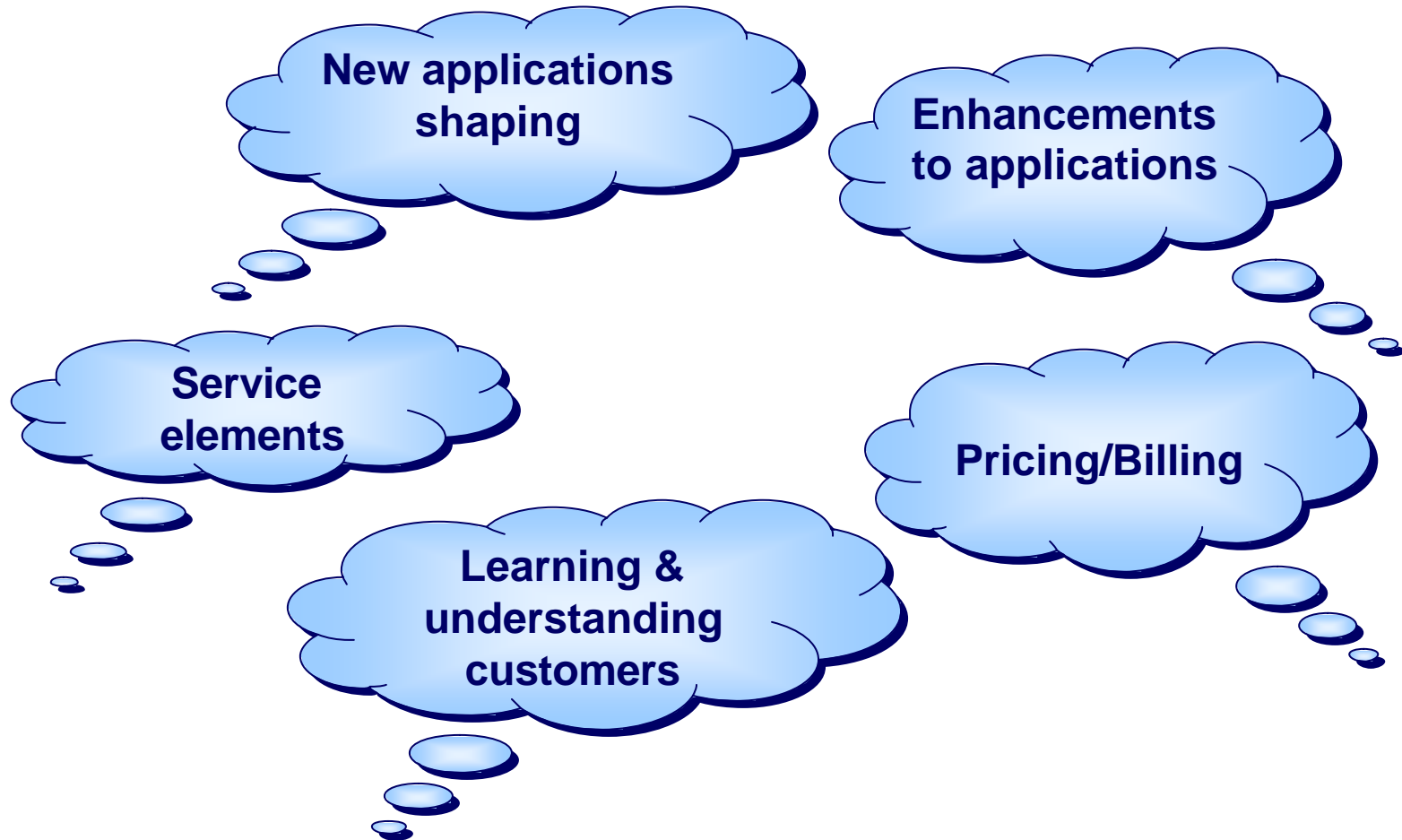
to 6.05 per day

41% increase in productivity

Quote from Technician

“ My van is now paperless.... I have no need to write down faults, routings, contract details and line test results. Not having to call 181 and wait for a reply saves a lot of time that can be better used fixing faults. The XDA is an invaluable tool which has made my day much more effective with no time wasting ”.

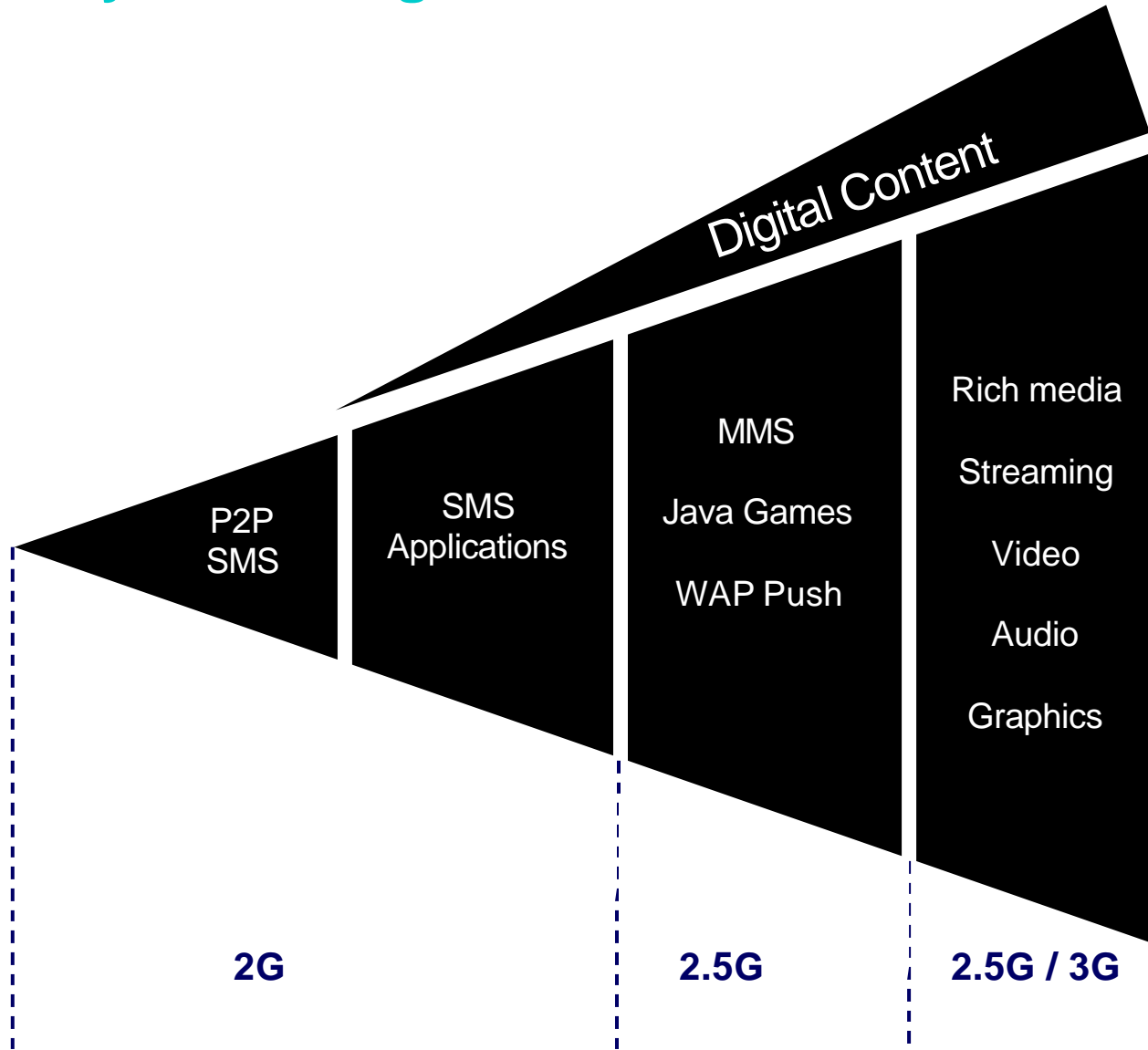
The Next 12 Months



O2 Developers Forum - Source 02

- Gateway for applications developers to partner with mmO2
- API/SDK information from www.sourceo2.com
- Developers forum events
- Partnerships formed with selected developers
- Access to dedicated testing and integration facilities
 - 2G, 2.5G, 3G platforms
- Opportunity to test market 3G services on IOM

Summary - Evolving Mobile Data Market



Conclusion

Through these first trialists mm02 will be able to gain significant information on the applications and services that work and what people will use in the 3G world.....this knowledge can give mmO2 a distinct competitive advantage as we move forward.

Cazenove Research Report - 14th February 2002

Seeing 3G functioning has enabled me to make a judgement of its ability as a useful business tool. We can more realistically consider this as part of our overall communications strategy.

Communications Managers Association Visit - 18th January 2002

We saw enough to realise that 3G will be an even more integral part of our children's lives than 2G is our own. Make no mistake: this is going to happen and its impact on our work and leisure time will be enormous

Irish Independent Newspaper - 10th January 2002



Thank You

The new current of mobile communication.

O₂

The image features a blue gradient background. A horizontal line of water with bubbles is visible, suggesting a current or flow. In the bottom right corner, the chemical formula O₂ is displayed in white.