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FRIENDi mobile making for MENA – Middle East and North Africa

The Middle East and North African regions are still uncharted territory for MVNOs, but it seems that at least one operation is making serious moves to launch there. FRIENDi mobile has just announced that it has contracted with India's Tech Mahindra in regards to its MVNO software.

Under this arrangement, Tech Mahindra will enable FRIENDi mobile to the next stage of its MVNO infrastructure development by providing MENA-wide implementation of FRIENDi mobile's ERP, Business Process Automation, Reporting and Web Self Care systems, as well as state-of-the-art community-based applications and value-added services.

Commenting on the deal, FRIENDi mobile's CTO, Kim Askjaer, said: "The mobile sector in MENA is in the Infrastructure Competition phase, and ready for the natural next step to Service Competition, where MVNOs become an integrated part of the national telecom markets. A streamlined and well-integrated IT infrastructure is key to provide efficient high-quality services to our customers and Tech Mahindra's expertise in telecom was a determining factor in our decision".

**Virgin Mobile to Sponsor Big Brother 9 – United Kingdom**

The UK based version of Big Brother has managed to keep Virgin Media as its sponsor for the 9th outing of the show. Following Virgin picking up the deal for series 8, after The Carphone Warehouse pulled out in the wake of the global media storm surrounding the Shilpa Shetty racism coverage. Virgin will use the show to mainly promote their MVNO service as both their service and the show are targeted at the same youth market.

... Virgin Mobile Q1 results – United Kingdom

- Post-pay increase of 59,400
- Pre-pay decrease of 127,600
- ARPU down GBP 0.03 to 1.04, year-on-year.

In response to this, Virgin Media's CEO Neil Berkett said, 'We are undertaking actions to improve mobile prepay performance including selective price increases, better focused customer retention activity and efforts to reduce customer acquisition costs.'

Mediatel to target Vietnamese and Ukrainians – Poland

Puls Biznesu, a Warsaw based newspaper, reports that fixed lined operator Mediatel is to launch an MVNO service targeting Vietnamese and Ukrainian immigrants living in Poland. The service will provide user interfaces and customer services in the respective languages of the target market, with this being their main drive in acquiring their business. The move follows a successful deployment of VoIP services aimed at ethnic markets by Mediatel.

Big changes for Carphone Warehouse with Best Buy – Europe

In a deal worth GBP 1.1 billion (USD 2.1 billion) Best Buy are to acquire 50% of Carphone Warehouse's European and US interests, excluding France. The move intends to both accelerate CW's retail expansion and to introduce the Best Buy brand into Europe. CW will use this windfall to pay off debts and invest in their broadband business.

On completion of the transaction, CW and Best Buy will each own 50% of the retail business, comprising all the 2,400 stores, the web and direct businesses, the insurance operations and its airtime reselling businesses. CW's fixed line operations and interest in Virgin Mobile France are separate to the deal.

Both companies believe that the transaction provides the right platform for CW to expand its business model into new areas outside its current expertise and for Best Buy to launch consumer electronics stores in Europe.

Virgin Mobile USA and the Helio Takeover

"We've heard the rumors and we won't comment on them." States Virgin Mobile USA's CFO, John Feehan. So what are the rumours? Following on from trade press reports, lead by moconews, Reuters reported on Saturday that an un-named source had told them that Virgin Mobile USA and SK Telecom were in the early stages of talking over such a deal.

Both operations run on the Sprint network, with Sprint owning 50% of the Virgin operation. The Virgin operation targets trendy fashion hungry youth and the Helio operations targets the technology savvy eager for the most high tech of operator offerings, within the youth market as well. At this stage the reports are based on rumour and speculation and until someone from either side officially states a yes or no on a takeover, then there is nothing solid to report.

TRAI to allow MVNOs – India

Having seen Virgin Mobile India launch, not an MVNO - a brand partnership, India's regulator (Telecommunications Regulatory Authority of India) has opened the debate and called for input to a consultation paper about the topic.

A spokesperson for TRAI commented, "The range of MVNOs is really wide, the simplest being an enhanced franchisee of MNO to the full MVNO which is equivalent to the MNO itself with the only exception that the spectrum is not allotted to the MVNO. Therefore, the regulatory and licensing issues for MVNOs need to be discussed keeping in mind the existing licensing provisions for MNOs." Not that it matters when "brand partnerships" can just launch into the market already.



your phone, your way



i2 licenced by The Telecom Regulatory Commission – Jordan

At this stage i2 has its licence but the facts and figures are yet to be detailed. When this milestone was brokered in Spain a long lag time then ensued before an MNO stepped forward. It took a great deal of regulatory intervention but ultimately nothing happened until the MNOs decided that they would agree to terms. Once one agreement was announced multiple others quickly followed which may be the case for the Middle East too, or at least in Jordan for now. i2 needs to approach one of the country's three MNOs; Umniah, Orange or Zain.



"There are currently approximately 360 planned or operational MVNOs world-wide and we look forward to being the first virtual mobile provider in the region. Being granted the approval to operate as an MVNO in Jordan is a key milestone for us. This step is in line with our vision of integrating the mobile value chain and to leverage on our assets: distribution, logistics, retail network, brand and our exceptional relationship with Nokia. We are eager to provide Top Class Customer Care Services, innovative offers and more diversified options to consumers and businesses," said CEO of i2 Abdul Hameed Al Sunaid.

But it will not be an easy task to find a partner, highlighted by Umniah's CEO, Joseph Hanania's objections:

"The existing operators do not have much capacity to spare, as the low competitive prices encourage higher than average 'minutes of use' utilisation by the subscribers. Hence, with a relatively high penetration rate, extremely competitive mobile services prices and existing operators running their networks close to full capacity, I fail to understand the business case, or the regulator's justification for an MVNO."

Cyfrowa Polsat IPO for MVNO funds – Poland

Cyfrowy Polsat (CP), a Polish digital TV company, launched on the Warsaw based stock market this week. The plan being to raise capital to allow CP to move into the MVNO market in Poland, done by so many other broadcasters abroad.



As of February the company had 2.2 million subscribers to its digital TV service and is currently the third largest media interest on the Warsaw stock market. CP's current subscribers will be its target market for the MVNO operation. Although the next stage's realisation rests upon Centertel and Polkomtel to meet with regulatory requirements. Until this happens CW must simply wait.

"A lot depends on the goodwill of our partners," stated Dominik Libicki, President of CP's management board.

NRJ becomes a minority holder in NRJ Mobile – France

Having seen losses from the MVNO operation drag down the overall balance sheet for NRJ, the company has elected to sell off a 40% stake of the MVNO to the co-founder and bank, Credit Mutuel-CIC. This now sees NRJ retaining 10% of the stock while Credit Mutuel-CIC now holds a 90% stake. Reports suggest the MVNO has 750,000 subscribers.



Launches

Netherlands – Internet Overal – Targets small business market (<http://www.internetoveral.nl>)

USA - Meijer Mobile – Consumers, grocery store shoppers (<http://www.meijermobile.com>)