

GSM on Merchant Ships

Is it Commercially Viable?

Background

- GSM over satellite is well established
- Always using Vsat
- Companies targeting ferries and cruise ships
- “Always on” requirement

Background

- Altobridge GSM system on aircraft using 4.8K
- Addressing legacy aero systems – retro fit NOT new build
- 30,000+ mini-M terminals installed on ships
- 10,000 Fleets
 - Existing and Evolved base

Benefits of GSM

- 6 out of ten crew carry phones and multiple Sims — Gilmour Market research, 2001
- Crew welfare and Crew retention
 - Privacy
 - Contactability
 - Accessibility
- Reduced onboard administration

Current Sea Trial

- In association with Inmarsat and Stratos/Xantic
- Utilises Inmarsat digital voice services
- Major European shipping line – container ship
- Global route
 - Europe – US East Coast – Panama Canal – US West Coast – Japan – China – Return
- Average 25 crew
 - Officers – Eastern European
 - Crew - Filipinos



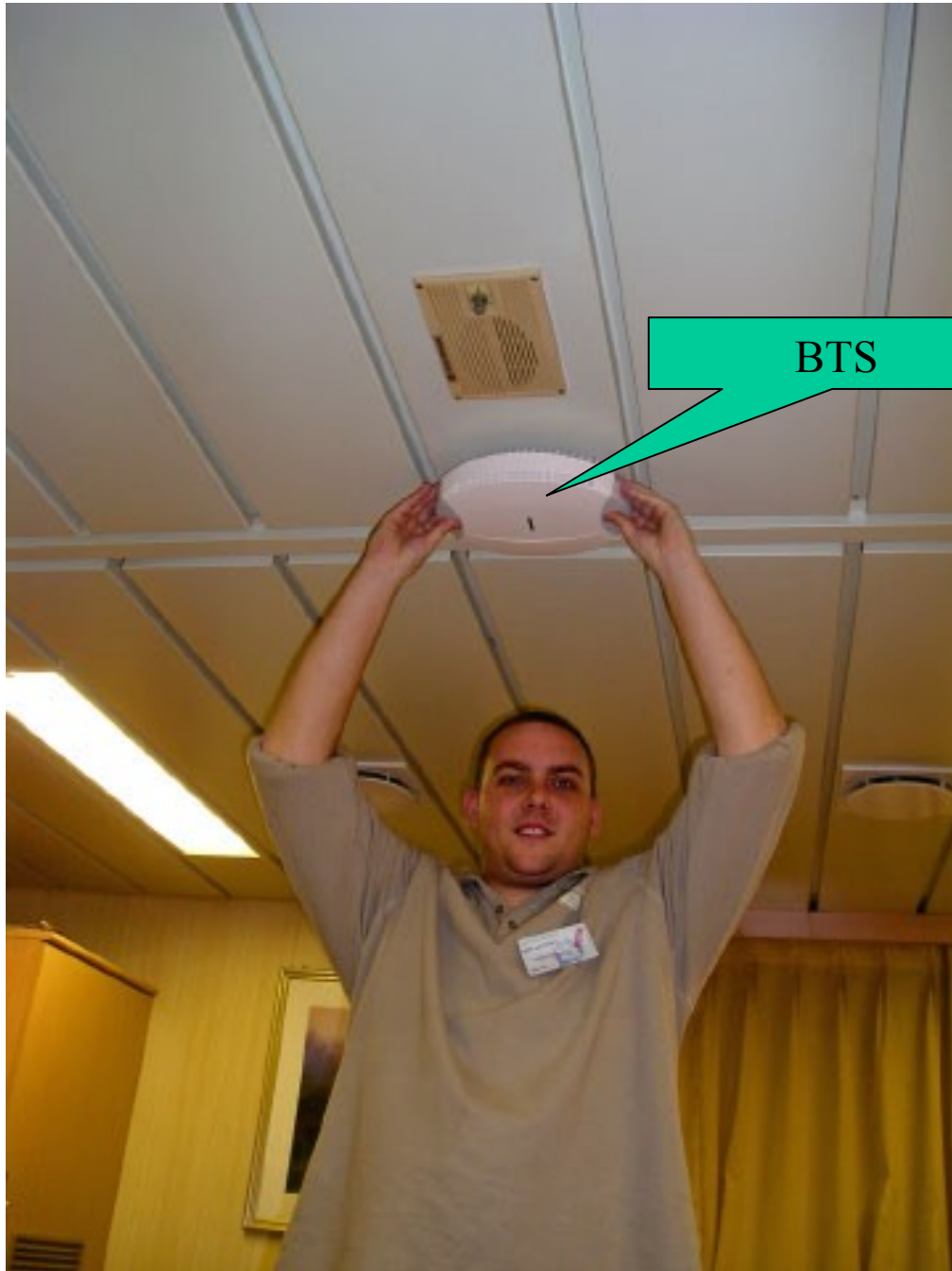


Installation

- Server installed in Comms room
- BTS installed in stairwell
- Radio coverage around 4 decks including crew mess, officer's mess and cabins
- Interfaced to Nera F33 terminal



Altobridge Server



Usage Parameters

- Initially using pre-pay cards with crew's own cellphones
- Various “test tariffs”
- Flat call tariff for 24/7
- Access restricted to accommodation block
- Captain retains control of system

Initial Feedback

- Overall usage increased –more contact with home
- 37% inbound calls
- Crew extremely positive

Initial Feedback

Crew comments

- “Good opportunity to stay in touch with friends and relatives all the time by phone and SMS”
- “Good for privacy”
- “You can call home from your cabin”
- “When you can speak with them it is like you are there on land and not hundreds of miles away”
- “In my opinion one of the best ideas for the Seaman”

Commercial Structure

- Target call pricing
 - Super Quiet Time plus a premium - TBD
- Various Hardware options
 - up front capex – straight hardware purchase
 - monthly subscription
 - call revenue share with equipment costs subsidised

finale

- Service available now
- Commercial model ready Q3 2006
- Contact your Inmarsat Service Provider or Altobridge



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Samuel Johnson

1709~1784

No man will be a sailor who has contrivance enough to get himself into jail; for being in a ship is being in a jail, with the chance of being drowned”.