



Merchant Maritime Mobile GSM

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Merchant Maritime GSM Trial

- **Objectives**
 - Prove the technology
 - Prove the demand

- **Overview**
 - 2 large European owned merchant vessels covering both Atlantic & Pacific region
 - In partnership with Inmarsat
 - Average crew size 25
 - Trial Period June to December 2006
 - Crew given SIMs and an amount of free credit
 - Airtime top-up via card purchase
 - Crew used their existing GSM handset – 80% penetration
 - Inbound and outbound voice call and SMS capability

Market Demand for Merchant Maritime GSM

- **Crew ¹**
 - Crew want call privacy which is not currently catered for
 - Crew would spend double if crew calling was easier
 - There are high levels of mobile phone penetration and savviness amongst merchant mariners

- **Merchant Owners / Operators**
 - Owners and Officers want crew calling taken off the bridge ¹
 - Owners are keen to provide ship-to-shore calling for crew welfare and staff benefit / retention purposes

- **Telcos & Carriers**
 - It is a key market opportunity for telecom partners to add incremental minutes onto existing networks

¹ Source: Inmarsat Primary Research, October 2006

Trial Results ¹

Voice	
Avg. Monthly Mobile Originating Voice Calls per Crew	12
Avg. Call Duration (in mins.)	2.3
Avg. Monthly Mobile Originating Voice Minutes per Crew	28
Avg. Monthly Mobile Terminating Voice Calls per Crew	1
Avg. Monthly Mobile Terminating Minutes per Crew	2.3
Total Voice Minutes per Crew per Month	30
Text / SMS	
Avg. Monthly Mobile Originating SMS Messages per Crew	18
Avg. Monthly Mobile Terminating SMS Messages per Crew	10
Total Monthly SMS Messages per Crew	28

End User Tariffs:

Voice Calls @ \$1.50 per minute.

Text / SMS @ \$0.75 per message

¹ Based on 8 weeks of call data – w/e 9/9/06 – 27/11/06

Trial – Lessons Learned

- **Demand**
 - Demand and appetite for ocean-based GSM crew calling has been established and confirmed
 - Feedback from captains and crew has been very positive
 - Sales of airtime top-up cards continued beyond the free-trial period. One crew member purchased \$80 in December alone

- **Service Features**
 - Call privacy and the ability to send a receive SMS / Text messages seen as key service features and benefits. SMS traffic showing particular adoption and growth.

End User Proposition – Going Forward

- **High Level**
 - To provide quality, affordable, simply priced ocean based prepaid mobile phone coverage to merchant maritime officers and crew, enabling both inbound and outbound voice call and SMS capabilities to enhance their personal communication needs

- **Key Product & Pricing Elements**
 - Single flat rate pricing, 24/7 for outbound and inbound calls and SMS, namely;
 - Voice: \$1.25 per minute
 - SMS: \$0.75 per message
 - Multiple methods and channels for airtime recharge eg.
 - Retail scratchcards on-board (cash)
 - Credit Card – by phone, SMS or web

The Benefits to ship owners/managers of deploying Merchant Maritime GSM

2. Distinct competitive advantage for marine services providers or merchant shipping owners to offer mobile phone connectivity to crew at sea
3. GSM at sea delivers a genuine staff benefit and is therefore a key differentiator for crew acquisition, retention and welfare, leading to greater productivity
4. Joint promotional activity could further reinforce these messages eg. 'x' minutes of free airtime for each new joiner as part of standard training, induction or welcome pack programmes
5. The opportunity to generate an additional revenue stream through commission payments on the sale of SIM packs & prepaid top-up vouchers on-board

In Summary

- It works
- It is used
- It is appreciated
- It is wanted
- It delivers tangible and quantifiable benefits
- It is available..... **now**



For Further Information

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