

MANAGED SERVICES

A partnership for cost efficient operations and service quality





Releasing your potential



Establishing and managing networks can be challenging and time-consuming activities for operators who wish to concentrate on the core business of growing market share and raising brand awareness. Recognizing the need for the outsourcing of network management, Ericsson responded by creating the Managed Services offering a decade ago. Ericsson has officially announced more than 100 managed services contracts with operators worldwide, and is managing networks that serve millions of subscribers.



“This initiative will deliver cost-efficiencies, without sacrificing Hutchison control and intellectual property.”

Kevin Russell, Chief Executive Officer, Hutchison Australia

Partnership in practice

How you can benefit from a partnership with Ericsson:

Gain access to Ericsson's experience and expertise –

As the industry leader in managed services, Ericsson has over 10 years of valuable experience in the end-to-end management of networks and business support systems for operators worldwide. This is particularly beneficial for operators with multiple technologies and multiple suppliers of infrastructure with an increasing focus on quality of service.

New technologies and services require fast competence build up, and by partnering with Ericsson operators gain access to solid technical leadership and expertise in managing networks, enabling short time-to-market and optimum quality of service. Ericsson can manage the entire network lifecycle with expertise in engineering, applications development, build and integration and operations. Furthermore, operators benefit from Ericsson's global knowledge and benchmarking tools developed from successful managed services contracts. Ericsson currently manages networks on a worldwide scale, featuring infrastructure from all major equipment vendors.

Achieve a competitive edge – Ericsson's extensive industry knowledge and experience allow operators to effectively launch into new markets and dynamically widen the portfolio of services on offer – a current focus is enabling operators to capture the enterprise market. All of this helps operators to attract end-users and gain an essential competitive edge in the market.

Cost savings – A partnership with Ericsson allows operators to take advantage of Ericsson's economies of scale, improving the total cost of ownership of the operator's network as well as addressing OPEX and CAPEX. For example, a typical saving of 20 percent can be achieved in network operations when Ericsson takes care of the day-to-day activities. The increase in operational efficiency is achieved through a combination of economy of scale, resource utilization and best practice processes.

A relationship of trust

Increasingly, operators are finding themselves challenged by the logistics of building, troubleshooting and managing their own networks, activities which many operators no longer consider to be core business. Operators are under added pressure to improve cost structures and keep up with market developments. A managed services partnership with Ericsson addresses these issues by transferring the responsibility of network management to an experienced partner, while ensuring that the operator remains in the driving seat.

Entering a partnership with Ericsson brings major business benefits including cost savings, improved service quality, decreased time-to-market and the ability to free up valuable time and resources. Worldwide, an increasing number of operators are choosing to outsource network management to Ericsson.

Established global delivery – Ericsson has a well-established delivery framework for managed services, providing operators with global coverage and local expertise. From operation centers across the world, Ericsson manages networks and business support systems and hosts solutions for operators and service providers on a 24/7 basis, 365 days a year. Operators benefit from Ericsson's best-in-class tools, processes and procedures and predictable performance is ensured by KPIs in a Service Level Agreement (SLA), agreed with the operator. By building on this accumulation of valuable experience, Ericsson continuously improves processes and procedures based on industry standards.

Smooth road to outsourcing – Where staff transfers are necessary, Ericsson ensures the professional and smooth transfer of employees by utilizing detailed and well-established Human Resources procedures, ensuring an efficient transition for both companies. As the diagram below shows, operators benefit from Ericsson's extensive experience and a well-established managed services process framework for risk and change management, allowing operators to maintain service levels throughout the transition.

Long-term partnership for growth – Ericsson understands that some customers may want to keep some activities in-house and outsource parts of the operations such as field operations, while others may prefer to outsource the overall management and development of their networks. Ericsson believes that committed partnerships and shared risks deliver strong results and a flexible approach allows Ericsson to adapt to each operator's individual needs, ensuring that both parties share a common business vision.

Driving managed services forward

Ericsson is the driver of the managed services business. Today, Ericsson has contracts with major operators globally, such as 3 UK, 3 Italy, Bharti, TeliaSonera International Carrier, Sunrise, Maxis and ALLTEL, who combined, serve millions of subscribers and span a wide variety of wireline and wireless technologies.

Ericsson Managed Services history

2000

- First to sign a groundbreaking managed services operations contract

2002

- Ericsson is first to take on complete management of build out and day-to-day network operations of 3G networks
- Ericsson establishes content settlement services

2003

- Ericsson is first to launch hosted mobile music service in cooperation with Sony Music

2004

- Ericsson is first to launch Managed Services Hosting offering in the service layer area
- Ericsson is first to announce managed services including network capacity

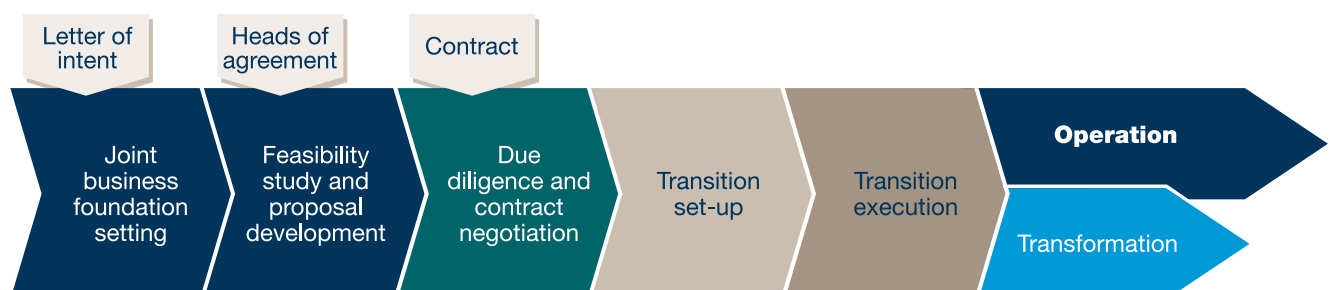
2005

- Ericsson signs largest managed services contract ever with H3G in Italy and the UK
- Ericsson launches extended hosting offering for content and applications
- Ericsson launches Hosting for Enterprise

2006

- Ericsson launches Napster Mobile

Managed Services business process



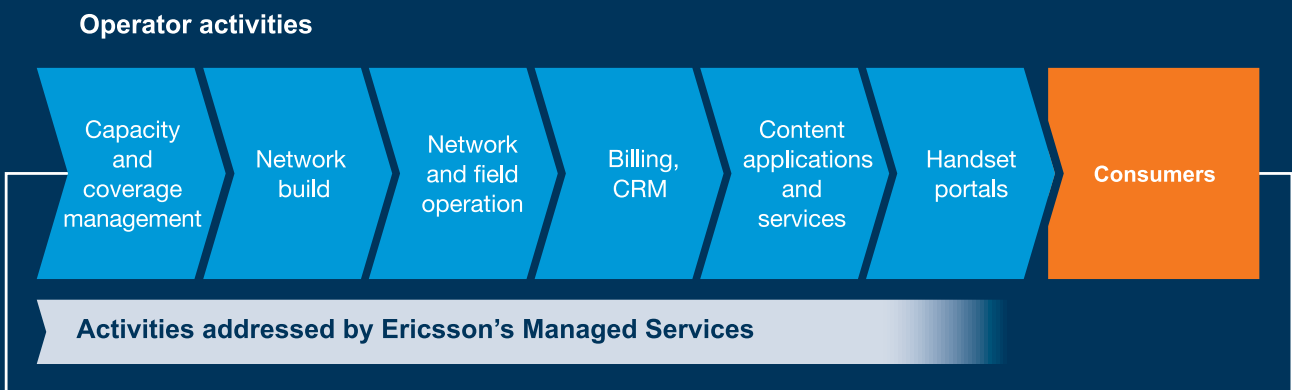
The Managed Services solution

Operation – Ericsson takes full responsibility for network and service operation activities, on behalf of wireline, wireless and enterprise customers. Activities are adapted to each customer and can cover planning and design, as well as the establishment and deployment of the customer's network and management of the day-to-day activities, including field operations. Operations are regularly assessed in line with performance goals set by the service provider and Ericsson.

Capacity – Ericsson offers a capacity-oriented infrastructure and Managed Services solution, which means that customers can reduce the total cost of ownership of the network and get deployed capacity when and where needed. Depending on the customer's requirements, Ericsson can adapt the level of involvement from providing the core and access network to managing the entire network lifecycle. Ericsson can also facilitate a managed solution for sharing of the access network infrastructure, e.g. shared sites, shared antennas and shared transmission.

Hosting – The Managed Services Hosting offering enables wireless and wireline operators to provide revenue generating services to their subscribers, including the enterprise segment. Hosting also enables launch and integration with a fast and cost efficient service. Ericsson takes responsibility for management and integration of the hosted solution and facilitates content distribution as well as content life cycle management. The offering includes entertainment and media services (music, TV, downloads etc), messaging and communication services (MMS, voice SMS, video mail and push email etc) and charging and management services (prepaid and automatic device configuration etc). Ericsson cooperates with world leading content partners and media companies such as Napster, music labels, TV-channels and game providers to deliver the latest content.

True end-to-end solutions in managed services



Ericsson is shaping the future of Mobile and Broadband Internet communications through its continuous technology leadership.

Providing innovative solutions in more than 140 countries, Ericsson is helping to create the most powerful communication companies in the world.

Ericsson AB
SE-164 80 Stockholm
Telephone: +46 8 757 0000
Email: asq.us@ericsson.com
www.ericsson.com/globalservices

1/287 01-FGC 101 194 Uae A
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The production and materials are environmentally approved. All specifications are subject to alterations without prior notice. Printed by Herley UK 11/2006.