

## Press Clipping

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# Alcatel-RComm JV eyes global network biz

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THE Alcatel-Lucent and Reliance Communications managed network services joint venture (JV) launched in July 2008 to establish 'a cost-effective delivery hub for global services business' is in talks with three operators from countries including Australia and New Zealand to operate and manage their networks.

Speaking to *FE*, Sean Dolan, president, Asia Pacific, Alcatel-Lucent said, "We are already in talks with three operators from Australia and New Zealand and one more country and soon will be finalising on them." The third country has not yet been disclosed so as to discourage speculation about the operator's identity. The JV-

company has 2,900 employees that were being trained on operations and maintenance of the network for low cost operations required by Indian operators. "We have been training our employees for low cost and high quality job in India. However as the service is centralised and will be done out of India, our employees are also trained for our global high cost clients. The managed services are expected to bring 20-25% saving to operators," Dolan adds.

Alcatel-Lucent owns 67 % of Alcatel-Lucent managed solution, which maintains the Reliance Communications networks across the country. Reliance Communications owns the rest. The five-year contract given to the JV-company to maintain Reliance Communication wireless network (GSM

and CDMA) is worth \$750 million of which about 15-20% has been spent in the past year. The firm is also expecting Reliance Communications wire line and USP (utility service provider) contract, which is expected to be bigger than the existing \$750 million contract.

Sandip Biswas, head-managed services at Reliance Communications said, "The JV-company has been working with us for over a year now and we expect them to be amongst the prominent vendors and top contender for the wire line as well as the USP contract. The value of this contract is expected to be much larger than the existing contract and the decision is expected to be out in a couple of months." Within the first year of operations, the JV has led to 15-17% operational cost savings, he added.