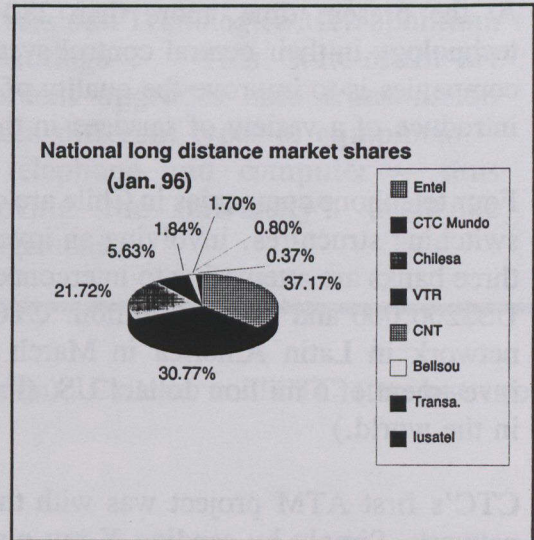


million in advertising costs and US\$3.17 million for each point. Entel spent US\$13.9 million in 1995, or US\$265,000 for each point.

3-Specialized Services

In addition to the services offered by the telephone companies to users, other types of services are targeted specifically at businesses. Services like ATM, the Internet, PHS and other services are some of the latest technological innovations of this century. In general, these services will contribute to the pace of business and upgrade connections between the various branches of a company, thus improving communications. The consistent growth of the Chilean economy since 1996 and the innovative spirit of the Chilean business community have driven demand for these services. There are many opportunities for Canadian firms in the business services sector of the Chilean telecommunications market.



It should be noted here that in Chile there is only one manufacturer of telephone equipment: CTC. But this company adapts models rather than manufactures them. Thus, most equipment and technologies used to provide services is imported, mainly from Japan, the United States and Canada. These services and equipment are available through representatives of foreign companies in Chile.

3.1 ATM (Asynchronous Transfer Mode)

This is a high technology system for high speed transmission and switching of data, video and voice. For example, with this technology, data can be sent at a rate of 155 megabytes per second. The technology is intended essentially for large companies such as financial concerns, banks and telephone companies.

With this technology, development of multimedia applied to a series of large local networks is not only possible but also advantageous in cost-benefit terms, since ATM is the only way right now to benefit from the modern software platforms and systems currently under development. The concept was to introduce a form of transmission allowing traffic integrating all types of media simultaneously over the same network. Thus, ATM technology today represents an important factor for companies interested in

Newbridge Networks Corp. controls 50% of the world ATM market. Through its representative Coasin, it installed the first public ATM network in Latin America for CTC.