

Entel

ENTEL, a 100% private-sector Chilean firm (20% owned by TELEFONICA DE ESPAGNE), enjoys a quasi-monopoly of the Chilean long-distance and international market. ENTEL recently signed a contract with AT&T for the installation and supply of US\$15 million of fibre optics between the cities of Santiago and Chillan. This contract will provide the foundation of ENTEL's two-year US\$50 million expansion program designed to provide Chile with state-of-the-art telecom technology. Other elements of ENTEL's plans include:

- installation of a national fibre-optic network connecting Puerto Montt to La Serena;
- connection of Chile's fibre optics and traditional copper-wire based trunk lines to the telecommunication networks of Chile's neighbours, especially Argentina (talks are already underway between ENTEL and TELINTAR Y TELEFONICA DE ARGENTINA), and to global network's such as UNISUR, AMERICAS I and COLUMBUS II;
- ENTEL further plans to continue consolidation of its satellite transmission facilities (ENTEL retains national monopoly on satellite signal transmission); and
- expansion of rural microwave telephony capabilities.

CTC

La Compania de Teléfonos de Chile (CTC), is Chile's dominant supplier of local telephone needs. CTC is also launching an aggressive expansion plan aimed at increasing the ratio of Chileans to telephones. Currently, only 8 in 100,000 Chileans have a phone. The major elements of CTC's US\$1.5 billion 4 year expansion program are:

- to bring ratio of Chileans to telephones to 1 in 8-10,000 or the installation of one million new telephone lines;
- to expand cellular phone systems;
- to use CTC's base among local phone-users and strength in cellular phone systems to break into ENTEL's traditional long-distance domain; and
- to develop better-attuned corporate service (i.e., to large data transmission users such as banks, multi-national companies and government departments).

Both CTC and ENTEL are facing increasing competition for slew of small cellular