

DP-service bureaus, as well as from a few newcomers in the late 80's, focusing basically on decision-making-oriented value-added information and application services for the financial and news markets.

CMA, a privately-owned company that presently operates nationwide and in 6 countries, played an important historic role in the development of this market segment. Followed by Meca, Milmar/Reuters and Momento, CMA supplies the market with real-time historical information on the main international and national financial, commodity, stock, foreign exchange, news and insurance markets, along with specialized application services.

Service providers estimate that the total user base of these services is over 5,000, with an annual market size around US\$ 50 million. Despite current economic woes this market is expected to grow at an annual rate of over 20%, especially if Telebras investments in basic networks promote access network capilarization, as service providers expand their offerings with new value-added inter-company messaging and finance-related EDI communications services.

As of October 1992, with the end of the market protection for information systems, and the liberalization of international data base services, new international players are expected to compete for this fast growing market. Some current service providers are circumventing problems in the local distribution network, with metropolitan wiring centers, optical fiber links and satellite- and radio-based competitive solutions.

The mid and late 1980's were also marked by the appearance of private value-added network providers, mainly companies moving from conventional DP-services, like remote computing and facilities management, (with a strongly IBM-dominated user base) to business DC services like remote logon, file transfer, electronic mail and EDI.

The major players in this market are Proceda (owned by the Argentine group Bunge y Born), GSI (a joint-venture of IBM with the Gerdau steel group) and Interchange (a recently created EDI services provider owned by Citibank in Brazil). International interconnections to GEIS, IBM/IN and Infonet are offered in Brazil by Proceda, GSI and Interpac Telematica respectively. Origin (from Holland) has also recently started operations in Brazil, through its local Philips-related subsidiary, Origin do Brasil.

Value-added network services are a growth market with annual revenues of over US\$ 100 million, and the service providers, along with Embratel, forecasting 30% yearly growth for the next 3 to 5