CanadExport

Romania Calls upon Telesystem International Wireless

Montreal-based consortium is leading Romania into the era of cellular communication. Telesystem International Wireless (TIW) won one of two licences to install and operate a Global System for Mobile Communications (GSM) across Romania.

AGSM is essentially the protocol — or language — that a cellular phone network uses to speak to itself and to other networks.

The deal, worth over \$700 million, was signed last November, and TIW has promised to deliver cellular service in most Romanian cities by the end of March 1997 — a speedy turnaround of only three months after government approvals were signed.

The bid for the licence was worth US\$50 million, plus an agreement to pay \$5 million per year over the next 10 years for the use of the system. TIW and its consortium partners will invest hundreds of millions more installing the network, staffing it, marketing the idea of cellular communications, and operating retail outlets to serve cellphone users across Romania.

Targeting Romania a matter of good timing

Since political change broke down the walls of Communist governments at the beginning of the decade, Romania has been catching up to other democratic and capitalist countries — sector by sector.

Targeting the Romanian market was a simple matter of timing, says TIW Director of Communications Michelle Beaubien. "We knew that Romania would come out with the licences, so we assembled a team." The team TIW put together is a consortium, called MobiFon, which

includes Airtouch — an Americanbased international company that's the largest provider of GSM services in the world – and five Romanian partners.

For TIW, the MobiFon consortium is big business. Its deal with Romania is one of TIW's biggest projects ever. Beaubien says its scale compares only with TIW's project in China — worth about \$500 million.

Entrepreneurship and flexibility are key

The key to winning these contracts, says Beaubien, lies in how a company differs from the rest of the field. "I think we're offering a unique expertise; we're one of the most qualified companies of the New Economy. We don't have a long-standing monopoly, like France-Telecom (the company that won the second of the two licences in Romania), but we're very entrepreneurial and very flexible."

TIW also prides itself on its good track record and its connections within Romania. A big part of getting the contracts, according to Beaubien, is being able to group different partners together. This was important to the government of Romania; not only did the MobiFon consortium come in with state-of-the-art technology, but it was also able to assemble a solid group of major strategic partners from Romania.

Sponsoring soccer team one way to establish presence

In terms of wooing the Romanian government, Beaubien says that it was important to get inside the country and start understanding and connecting with the key players, as well as the public. The consortium did its homework. Employees created a presence in the country and, by soccer season, had the company's name emblazoned on the shirts of the Romanian national soccer team as the team's main sponsor.

Support of Canadian government timely

Connections were also made with the support of the Canadian government. A timely visit by Industry Minister John Manley to Bucharest resulted in meetings with Romanian government and a healthy dose of political support for TIW and MobiFon.

"I think the visit was a great help for us," says Beaubien. "The Minister met with the Romanian president, prime minister, and three other state ministers. We also had a lot of help from the Canadian Embassy and the Canadian Ambassador in Bucharest, M. Gilles Duguay. They introduced to the right people, locally."

For more information about TIW, contact Director of Communications, Michelle Beaubien, Tel: (514) 397-8478, Fax: (514) 397-9176.