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An Individual Approach

The PROTEI Research and Technology Center is engaged in the development and production of a comprehensive range of software products for telecom use. Recently the company has been actively marketing its products and solutions in foreign markets. When working abroad, PROTEI Ltd. focuses on the mobile sector, as the company develops messaging solutions, an intellectual platform for value-added services and a wide range of roaming solutions. **Vladimir FREINKMAN**, PROTEI Ltd.'s Vice President for Marketing and Business Development, talked about the company's activity outside Russia in an interview with Standard magazine.

– How many countries, besides Russia, have installed PROTEI Ltd. solutions? In what countries is your company's position strongest?

– PROTEI solutions have been installed in 16 countries other than Russia. Our main foreign partners are from the former

USSR republics, but the number of our customers in other countries is increasing.

As for the CIS countries, PROTEI Ltd. operates in Tajikistan, Kyrgyzstan, Uzbekistan, Ukraine, Belarus and Moldova. In the first three countries I mentioned our customers are mobile and fixed-line communication operators,

and we have implemented and are implementing large-scale comprehensive projects with them.

As for countries beyond the borders of the former USSR, PROTEI Ltd. has successfully run projects in Jordan, Bahrain, Yemen, Sudan and Cameroon. We also have small projects

in Senegal, Mauritania and Pakistan. Our products are sold in Middle East countries through our partner, a Middle East integrator. We have also successfully implemented projects in Europe: we installed an IVR platform in Macedonia, and a complex of service platforms for MVNO in Estonia. Our biggest project

beyond the Soviet borders is with Umniah, a mobile operator from Jordan.

Besides that, PROTEI Ltd. supplies some VAS solutions for Nokia Siemens Networks, which we can also regard as a "foreign customer".

- What solutions does PROTEI Ltd. offer in the international market, and is its portfolio there different from what the company offers in the domestic market?

- The products we are offering in the international market are mainly solutions for cell phone operators. Our portfolio there is no different from what we offer our domestic customers, though, as a rule, we have to adapt our platforms to the individual requirements and business processes of the customers, adding some modifications to take into consideration the local market and specifics of mentality.

- Which foreign vendors does PROTEI regard as its rivals?

- There are many companies operating in our field, and we regularly face real competition, with some of them in most cases. The leading player in the market is, of course, Comverse. Obviously in the market of roaming solutions we are in competition with Roamware, and in the VAS market our rival is Comviva.

- What is the attitude of foreign customers to Russian-made solutions?

- In the markets in which we operate the attitude of customers to Russian-made solutions is, on the whole, positive, though they often express concerns based on local specifics, the distance from the supplier or the absence of a local office. We also have to point out certain peculiarities of the Arab region. With virtually every country and every operator our work starts with pilot projects that are implemented either on the verge of the cost of production or involve a substantial delay in payment. When talking to Arab operators, we frequently hear a phrase which can be translated as "the first meeting is often the last one". However, if

the project is successful, the operator eagerly invites us to take part in further tenders, and the results of cooperation are satisfying, as a rule, covering costs, including the pilot project. When they are assured that we supply high quality, reliable solutions at reasonable prices and provide adequate support, customers are keen to collaborate with PROTEI Ltd. further.

« We operate through local partners abroad: this approach helps us take into consideration all the subtleties of the market and customer specifics »

- What are the key advantages of Russian software developers in the international market?

- The experience of the last two years has shown that some of PROTEI Ltd.'s typical solutions, such as SMSC and Missed Call Alert, have exceeded rival offers in reliability, and in cost/performance and cost/quality ratios. At the same time we offer our customers a profitable network expansion and upgrading patterns on the products they purchase. We have an individual approach to every customer and agree to adapt the system to the customer's specific requirements. When you have people with profound experience in their field on your staff, including the staff that install and support your products, it forms a relation of respect and trust with the customer as far as the technology is concerned.

- How does PROTEI Ltd. find new customers abroad?

- We employ two main methods for this. The basic one is definitely our work with partners. This could be our regional partners, or it could be "major vendors" (such as NSN). Such partnerships emerge in different ways, but PROTEI Ltd. has found such partners, and they are important in our work in regional markets. And you can't ignore the traditional ways of

establishing new business contacts, of course, such as participation in conferences and shows. PROTEI Ltd. takes part in at least 2-3 topical events annually. PROTEI Ltd. experts answer dozens of questions about our solutions, providing full information about any details that interest visitors. The number of our booth at MWC-2011 in Barcelona is 1B49.

- Does PROTEI Ltd. have offices abroad and are there any plans to expand the geography of its presence?

- PROTEI Ltd. works through its local partners abroad, and this approach helps to take into account all the subtleties of the market and customer specifics. An integrator from Jordan is our key partner. If you take into consideration the size and mutual business expansion rates, its office in Amman can be regarded as our regional foreign office.

- Can you explain in more detail how Umniah, an operator from Jordan, became a PROTEI Ltd. customer, and what solutions of your company were implemented in its network?

- The telecom world is traditionally narrow, and you find friends in the most unexpected places. It just happened that Umniah had to replace its Missed Call Alert platform, and our offer proved to be the most attractive. Later the operator became interested in other solutions we offer. At present our Missed Call Alert system, SMSC, with a capacity of 1000 SMS/s, Welcome SMS system and a number of other technological platforms for traffic signal processing are functioning in the Umniah network.

- In September 2010 Nokia Siemens Networks joined forces with PROTEI Ltd. and Optima Soft to issue a Unified Messaging solution. What are the first results of this partnership, and what can you expect from it in 2011?

- PROTEI Ltd. established a partnership with NSN (which was then Nokia Networks) in late 2006. NSN has a network of global and regional partners with VAS solutions included in the comprehensive packages of this respected vendor. Acting within the framework of its program to expand such partnerships, NSN expressed its interest in the solutions offered by PROTEI Ltd. It ran checks on development quality, production line, support line and the financial position of the company, and then we signed a partnership agreement. We have implemented several mutual projects in CIS countries since then, and some projects have been implemented in cooperation with MegaFon, a Russian mobile operator. From a formal point of view these projects were implemented independently by our companies, but would not have been possible without close integration. The transition to the new Unified Messaging concept is the main line in messaging system development now, in our opinion, and the solutions implementing this concept are expected to be in great demand with communication operators in the very near-future.

- What are the dynamics of PROTEI Ltd.'s foreign business turnover in the last three years, and what returns do you expect to get from this business in 2011?

- We are witnessing a significant growth in the turnover associated with projects implemented beyond the borders of the former Soviet Union (it has increased 3-5 times in the last three years), but these are "initial stage" dynamics, so we are not inclined to treat these figures seriously. As for the percentage of our turnover, about 20-25% of our sales are generated by exports to CIS countries, and 8-10% comes from other foreign countries. 