

SLOVAKIA

Penetration of mobile services in Slovakia reached 98.57 percent at the end of March. All the three Slovak mobile operators, Orange Slovensko, T-Mobile Slovensko and Telefonica O2 Slovakia, posted altogether 5.323 million customers as of March 31. The data on penetration of mobile services is calculated based on common methodology, where active customers are considered customers of prepaid services, who made at least one active operation on their SIM cards over the past three months. As of March 31, Orange Slovensko posted 2.863 million, T-Mobile Slovensko 2.173 million and Telefonica O2 Slovakia 287,000 customers of prepaid and invoiced services.

(The agency SITA published Friday corrected data on the number of clients of the company T-Mobile and thus on penetration of the mobile market.)

Source: SITA (9.5.) • SME (12.5.), p. 7

- The mobile market is not as crowded as statistics showed until recently. Actually, there are roughly 600,000 people of 5.4 million Slovaks who do not use cell phones. However, these are only seemingly free clients because they are children younger than eight years or pensioners older than seventy years. Some operators are still fighting for these people; others are more focused on getting maximum from their existing base. The Pravda daily also presents a table of how the mobile market is divided at the end of March of 2008.

Source: Pravda (12.5.), p. 28

The average nominal wage in March in the telecommunications sector grew 6.4 percent. On average in the first three months, the highest average nominal wage was in the telecommunication sector, representing SKK 49,088. The real wage in March grew y/y by 2.1 percent in this sector. The real average monthly wage for the first three months of this year went up y/y by 0.5 percent in telecommunications.

Source: SITA (9.5.)

The number of employees rose in the telecommunications sector by 4.6 percent y/y. On average, in the first three months of this year 9,500 people worked in this sector. The number of employees went up by 4.8 percent y/y in the telecommunications sector.

Source: SITA (9.5.)

Sales in industry grew 6.3 percent y/y in fixed prices to SKK 190.3 billion in March of this year. In March, sales in postal services and telecommunications reached SKK 6.5 billion (SKK 5.5 billion in telecommunications). Deceleration of the y/y growth in current prices to 1.1 percent was influenced by the decrease of sales in posts by 2.2 percent and a weaker growth of sales in telecommunications at the level of 1.8 percent. Since the beginning of the year, sales in posts and telecommunications were 6.9 percent higher than a year ago with a growth of 12.6 percent in posts and 5.8 percent in telecommunications.

Source: SITA (9.5.)

iPhone is to be sold in the Czech Republic soon. Vodafone made an agreement with Apple on the sale of this handset in other 10 countries, including our neighbor. The date of launch and the name of the operator, which will be the first to bring iPhone to Slovakia, are still unknown. Currently, a year after the phone started to be sold; iPhones are officially only on the markets of the United States, Germany, Ireland, Austria, Great Britain and France.

Source: HN (12.5.), p. 24

About 70,000 monthly payments are not carried out by clients of telecommunications companies, insurance companies, energy and water-supply companies and others at posts, in companies' seats or via the Internet because they prefer paying invoices through the service Unikasa at cash desks in shops of COOP Jednota Slovensko. Payment of checks in supermarkets and small shops can hardly address people, who pay for electricity, water and phone, via permanent orders or Internet banking. It is, however, increasingly popular with more conservative clients, who are used to paying bills at posts. Using the service Unikasa people can pay for example for invoices of the following companies Orange Slovensko, Slovak Telekom, T-Mobile Slovensko and UPC Broadband Slovakia.

Source: SME (12.5.), p. 17

There are more and more complaints about misleading advertisements in Slovakia, their number increased 10 percent y/y. Advertisers in strong competition often decide for creative, however, untrue advertisements. People mostly complain about services of mobile operators, the most frequent problem is perception of information in TV advertisement. Today, companies have a chance to be made a report on their advertisement in order to find out whether they will have problems with it.

Source: SME (10.5.), p. 3

Kosice emergency service has not been using radio stations for several months. According to a regulation of the Health Ministry, they had to exchange their walkie-talkies for cell and fixed phones. However, this often uselessly complicates their work in situations when they literally need seconds. "Currently, it is not working, it is a long-term matter, we definitively want to build a mobile digital radio network," said ZZS Director of Operation Centers Lubomir Kosic.

Source: TA3 (11.5.)

A recent study of Accor Services on contentment and motivation of employees found out that workers in the west of Slovakia, mainly in the Bratislava and Trnava regions, are more satisfied with the quality of life in their workplaces than employees in the middle and east Slovakia, i.e. in regions with a tradition of industry and currently lower economic power (Kosice, Banska Bystrica). In general, their contentment is weaker in industry and construction. On the contrary the highest values of contentment are in the energy sector, telecommunications, banking and financial sectors and in services for other companies.

Source: Pravda (10.5.), p. 26

Slovak viewers cannot expect that digitalization of TV broadcasting will bring them any benefits in next two years. New TV stations will start to multiply only after 2011 and it is not clear whether there will be an investor that would try to compete with positions of Markiza and Joj. These televisions have already been announcing their interest in digitalization for quite a long time. The former owner of Markiza, Pavol Rusko, along with a strong foreign partner and the French media group Lagardere, which owns the radio Okey, are also interested in founding a digital television.

Source: SME (12.5.), p. 5

FOREIGN NEWS

The European Commission (EC) wants to explore the operation and effectiveness of the EU regulation on roaming released at the end of June 2007. The EC therefore invited the industry, consumers and other participating parties to a public discussion on roaming. Based on last year's June regulation, the EC is obliged to submit a report on operation of new rules on roaming and their impact to the European Parliament and the Council in 2008. Using public consultation, the EC wants to obtain response to the overall operation and effects of the current regulation from the participating parties.

Source: SITA (9.5.)

Consumers in Great Britain are not content with the level of services offered in telecommunications by large companies. The latest study of the research and consultancy agency YouGov presented worst results for the giant BT and the second largest group on the market, Virgin Media. The company BT immediately protested against results of the survey. The winner in the monitored area was the young company Sky.

Source: HN (12.5.), p. 22

This week culminates the season of results. Results for Q1 of 2008 will be presented by companies Telefonica O2, Komerční banka, Unipetrol, CEZ, Telekom Austria, Lotos, PKN Orlen, GTC, OTP, MOL, Petrol Ofisi and others.

Source: HN (12.5.), p. 20

Protection of the brand and products has become the number one topic for many producers. We were witnesses of weirdness recently when a mobile operator, which was trying to protect itself as thoroughly as possible, accused companies that use magenta (pink color) in their logos. And the operator was successful.

Source: HN (12.5.), p. 25