



### **Atos predicts independent Brand and Pipe companies to take lead in telco sector**

**Atos Consulting believes traditional, integrated telecom players will need to specialize in one side of their business**

**Paris, Barcelona, (27) February 2012** - Atos, an international IT services company, reveals key trends in the international telecom market following a series of in-depth interviews with telco executives. In a white paper entitled 'Rethinking the traditional telco: the need for independent brands and pipes', Atos Consulting states that changed consumer behavior, new government policies and new entrants are the three factors that result in an investment squeeze. This squeeze forces integrated telco's to focus either on brands (delivering services) or pipes (delivering the network and technology). The traditional integrated Telco will have to take action.

Atos is present at the 2012 Mobile World Congress in Barcelona, from 27<sup>th</sup> February to 1<sup>st</sup> March, with the theme "aspiration to application" to discuss its innovations at Pavilion AV06 and hands out its new white paper for the first time. The white paper offers three consecutive steps for the traditional Telco to take on its way to a new, viable Brand or Pipe business model.

The traditional telecom provider will need to let go of the current way of looking at its business as an integrated player. Flexibility is now the name of the game, a shift in attitude that demands a focused approach. The focus lies on offering the most cost effective Pipe to a (business) customer or have the best perceived brand by the consumer. Standardized, open services, platforms and products are the norm.

The Brands and Pipes scenario describes a world in which Brands are operated separately from the Pipes. Brands will buy their infrastructure needs from specialized infrastructure companies and Pipes will specialize in infrastructure and servitization. If this scenario comes true, the traditional Telco has to prepare its current business for independent Brand and Pipes companies. First, traditional Telcos need to position the Brand and the Pipe 'at arms length' in their organization. This enables them to already prepare for entering into partnerships with third party Brands and Pipes. Then the operations themselves will need to be prepared for a split in governance.

Marcel van de Pol, Principal Consultant at Atos Consulting explains: " The coming two years are the years in which the traditional Telco faces a tipping point in independent survival. We have researched the key trends that occurred in the past three years and find that becoming a Brand or a Pipe is the most viable way for the traditional Telco to shift the balance in their favor. We realize this is a huge stretch for most traditional Telco's who have gained expertise as an integrated player over the last years. Atos Consulting can help by explaining how these trends work out to only one solution, how to go forward with the disintegration of the traditional Telco and how to be successful as an independent Brand or Pipe."

Atos has more than 20 years experience in the telecom and media industry and generated 2011 revenues of EUR 959 million in this sector. Atos is a key player in the worldwide telecom & media market with international references such as E-Plus, EFE, France Telecom, KPN, RAI net, RTVE, Vocento, Vodafone Spain, and Wolters Kluwer.

For more information on Atos participation at Mobile World Congress : <http://atos.net/en-us/Newsroom/en-us/Events/mobile-world-congress-2012/default.htm><http://atos.net/en-us/Newsroom/en-us/Events/mobile-world-congress-2012/default.htm>

**About Atos**

Atos is an international information technology services company with annual revenues of EUR 8.6 billion and 74,000 employees in 42 countries. Serving a global client base, it delivers hi-tech transactional services, consulting and technology services, systems integration and managed services. With its deep technology expertise and industry knowledge, it works with clients across the following market sectors: Manufacturing, Retail, Services; Public, Health & Transport; Financial Services; Telecoms, Media & Technology; Energy & Utilities. Atos is focused on business technology that powers progress and helps organizations to create their firm of the future. It is the Worldwide Information Technology Partner for the Olympic Games and is quoted on the Paris Eurolist Market. Atos operates under the brands Atos, Atos Consulting and Technology Services, Atos Worldline and Atos Worldgrid. For more information, visit: [atos.net](https://www.atos.net)