



The Global Telecom Women's Network

Newsletter

February 2009

Welcome to this edition

Dear GTWN members and friends,

I am very pleased to welcome you all to the first edition for 2009 of the Global Telecom Women's Network's Newsletter. It marks the GTWN's annual Power Breakfast at the GSMA Mobile World Congress, being held in Barcelona, Spain from 16 to 19 February 2009. The GTWN Power Breakfast on the morning of 17 February is being generously sponsored by Alcatel-Lucent.

The GTWN is unique in its charter and its membership. Its role is to provide an exclusive forum for executive women who are working in information and communications technology (ICT) and related industries to network with other women in similar roles throughout the industry. Equally, it provides a valuable forum for debate about the hot issues of today, with the aim of spreading greater understanding and also practical approaches to these issues amongst the GTWN membership and its wider circle.

The theme of the GTWN Barcelona Power Breakfast is "Using Converging Communications Technologies to Stimulate Innovation and Economic Recovery". This meeting provides a timely opportunity to examine the pivotal role that ICT can play in increasing efficiency, reducing costs, expediting the time to market and generally assisting both

companies and individuals in facing the many economic and social challenges of our time.

The theme of this Power Breakfast provides an ideal forum for our keynote speaker, Alcatel-Lucent CEO Ben Verwaayen, to share his thoughts on talent management and leadership as we look to the future of the converging telecommunications industry. Mr Verwaayen is one of the most high-profile senior executives in the ICT sector today. Between February 2002 and June 2008 he was CEO of British Telecom, prior to which he held a number of senior positions at Lucent Technologies, including Vice-Chairman of the Management Board. Prior to that, he worked for the Dutch incumbent operator KPN as the President and Managing Director of its PTT Telecom subsidiary.

We look forward to this valuable opportunity to expand our understanding of these issues and to renew and extend our contacts amongst senior women in the information and communications industries.

Best wishes,

Bridget Cosgrave
President, GTWN

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Understanding broadband

By Ben Verwaayen, Chief Executive Officer, Alcatel-Lucent¹



Ben Verwaayen is CEO of Alcatel-Lucent.

Ben was appointed to the Board of Directors of BT on 14 January 2002 and became Chief Executive on 1 February 2002. He left BT Group on 1 June 2008 as Chairman of the Board's Operating Committee.

Before joining BT Group, he was at Lucent Technologies starting September 1997, holding various positions. He left Lucent as Vice-Chairman of the Management Board. Other positions that Ben held at Lucent were Executive Vice-President and Chief Operating Officer, and Executive Vice-President, International.

Prior to joining Lucent, Ben worked for KPN in the Netherlands for nine years as President and Managing Director of its subsidiary PTT Telecom. From 1975 to 1988, he worked at ITT in Europe.

He was appointed an Independent, Non-Executive Director of UPS in March 2005.

He has been made an Officer of the Orange Order – Nassau and an Honorary Knight of the British Empire (KBE). He has also received the Chevalier de la Légion d'Honneur medal.

¹ This is an edited text of a keynote speech given by Ben Verwaayen at the Broadband World Forum Europe on 29 September 2008 in Brussels.



Broadband is not just another technology or the next phase of a journey that the industry has gone through. It is not just about rebuilding a value set, a go-to-market strategy and a business model for the suppliers of access and technology and capabilities, but it is essentially a different way for customers to get lifestyle and economic value, by using broadband as an integral part of what they do – what they do in terms of lifestyle at home and what they do for a living in the economy.

We are of course facing stormy weather in the economy these days. Yet, today many people are talking about the potential of broadband and information and communication technology. If you think about it, how many technology subjects do you know of where the European Union, your local government and municipality and your customers all take an interest? How many subjects do you know of from a technology point of view that have been on the political agenda now for at least a decade?

It is important for economies to understand not just the impact that broadband has on your local community and household, but also the severe impact that it has had so far on the creation of the world's economy. There would be no globalisation, with the capability to distribute knowledge on a global basis and the ability for individuals to compete with people around the world, without broadband. Broadband has created the essence of globalisation and it has therefore had an impact on people's lives, the ability to organise businesses around the globe and use talent where talent is due, and work from a model that we had that was extremely physical and move to a model that combines the physical and virtual worlds. That is where we are today, and the promise that we have today is that technology can bring us to the next stage.

In every business model that you talk about, it is about a long-term investment, with a long-term perspective of making money. So far, broadband has proven to be a technology that does just that. We see business models changing because the value is changing and we see that it is no longer money changing hands from the people who make the technology to

the service provider. Other parties are now coming into the frame, and that makes life very interesting.

The first question is what is driving what and who is driving whom? Where does the stimulus for the broadband world come from? Technology is an enabler – and a powerful enabler – but it can only flourish with two things. Firstly, it needs an end-user that understands benefits and has the ability to choose and see what is in it for them. Whether that is an enterprise end-user or a consumer, it does not matter. They have that power, and the service providers need to have the capability to take that purchasing power from their customers and translate it into a long-term profitable business deal. Players then come into the frame that we have not seen before – content players, marketplace organisers and software enablers – and the customer is not just a passive customer, but an active participant. We are going to have competition between customers and suppliers about who is doing what to whom and you will see the creation of a dynamic environment where it is not clear what the role of every single layer is. You will therefore need to have the ability to be agile in the way you organise and flexible in the way your business model copes with the different attitudes because services will determine how the money will flow on an individual basis.

One size fits all is something of the past and you now need to have a model that can accommodate the recognition of value. Today, if you are honest, broadband offers a wow world, but it is a one-size wow. Once you pay, you get everything, and everything is a level up. It is all the same. My view is that, going forward, you will have to monetise more than what you are monetising today because you will add a creative layer and create opportunities that are much more important for your end customers. You will therefore have to scale your relationship with both your suppliers and customers and those roles will vary service by service. That is uncomfortable because it is about disruption and transformation.

Innovation has many faces. In my view, it is a mindset. I cannot describe innovation in terms of every single product, but what I can say is that both large and small organisations need to learn to work together in an ecosystem. It is impossible for any organisation to be everything for everybody, everywhere. At the same time, you want to help people create that journey and the map around the journey, and the way to do that is to allow others in the ecosystem to help you create your innovation platform. That is not difficult to do if your mindset is for it; it is very difficult to do if you do not want to do it.

Broadband ... is essentially a different way for customers to get lifestyle and economic value, by using broadband as an integral part of what they do.

Where does this bring us, then, on the broadband journey? I think that we will see a heightened interest in differentiations by economies. We see it today in Europe and around the world, and whether we like it or not competition between economies is an important factor. The way you have wired or "wirelessed" yourself is an important competitive factor, because it allows you to reach out with the different business models that we have seen so far.

The second thing that we will see is that the innovation will bring new parties into this frame. I predict that different players will emerge. Whether that is a positive or negative thing depends on where you sit. However, you will be more popular than ever before because you will enable others to do things that they had been previously unable to do.

The third element is a business one. The model that we have for telephony will not be the model for broadband and the model that we have for access is not the model

we have for services and the model we have for services on a national basis is not the model for the international basis. The beauty of this is that we will see differentiation, because there is not just one answer. There are many good answers that can be given. The confidence that we can bring to the market is that the capabilities are there to make a difference. However, it is talented people who will make that difference. It is the ability to bring together technical, management and creative skills in a form that has not been done so far that will make the difference. The openness of mind to build bridges where no bridges have yet been built will make the difference.

Here is the beauty of it. We talk a lot these days about things that we can no longer do – and there is a very good reason to talk about things, where, for example, if you just got hurt, you should do better. In this particular subject, where we have so far taken a good first step, there is the promise of the big opportunity. This is an opportunity that we share with a whole spectrum of players and it is driven by the desire of our end customers in business and of our private customers to do what is required.

Top six convergence predictions for 2009

by Denton Wilde Sapte LLP's Convergence group



Denton Wilde Sapte's Convergence group is led by TMT partner Ingrid Silver and comprises seven lawyers. Convergence means the merging of telecoms, media and technology. The Convergence team provides commercial, regulatory and corporate support legal advice in relation to all services and activities arising out of convergence. The team has a strong understanding of issues arising out of convergence as they affect the sector.

As the media and telecoms industries devise new strategies to survive the challenging economic climate affecting many markets and maximise opportunities, it is all too easy for businesses to overlook the risk of finding their commercial strategies undermined by regulatory or legal issues. Engaging with these issues from the outset enables industry players to gain a significant competitive advantage.

With these considerations in mind, Denton Wilde Sapte LLP's convergence experts predict that the following six key regulatory and legal issues will be fundamental to the business strategy of industry players in the year ahead.

Content liability: time to decide who takes responsibility

The rise of YouTube and Facebook has changed perceptions of where responsibility for content should lie. Viacom's US\$1 billion lawsuit against YouTube highlights the ongoing dispute between rights owners and service providers about who should take responsibility for copyright infringement. Service providers' traditional protection from liability for content they host or carry is under threat and companies will need to decide how to protect themselves from the potential risks.

Rights clearance: a brave new world

EMI's pan-European licence of its music catalogue to Omnifone shows how multi-territorial licensing is changing the face of rights clearance (the system which ensures artists are remunerated for

Engaging with these issues ... enables industry players to gain a significant competitive advantage.

distribution of their work). This is a welcome reform from the piecemeal and territorial system which has created barriers to media companies clearing creative content for international, multi-platform distribution. The opportunities created are huge; the key is knowing how to take advantage of the changes.

Net neutrality: gets nasty

New networks, radio spectrum and ever growing bandwidth demand have moved the debate on net neutrality - the concept that networks accept and carry traffic on an equal, technology and service neutral basis - from the chattering digerati to the real world. The success of BBC's iPlayer illustrates the increasing capacity pressure on networks. We need faster networks but who will pay for and control them? There will be some major winners and losers so joining the debate is crucial if players are seeking to shape the competitive landscape. The result is likely to have a dramatic impact not only on business but also on freedom of speech, plurality and the growing digital divide.

Identity: increasing peril of privacy

Last year saw a heightened focus on privacy compliance, with high-profile security breaches shaking public confidence and the regulators increasing their powers and willingness to fine companies for breaches (for example up to £1 million for Nationwide). At the same time, new business models such as location-based services and targeted advertising are pushing the boundaries of privacy law. Navigating the privacy maze has never been more perilous, throwing up huge risks for the unwary but also business opportunities for the prepared.

Conversations with India's Sunil Mittal: Bharti Chairman and entrepreneur

by Myla Villanueva, GTWN president, Asia

Regulation of new media: new rules in the pipeline

Certain new media services and companies will be regulated for the first time with the implementation of the new Audiovisual Media Services Directive. The Directive represents a fundamental change to the media regulatory framework, applying for the first time to all types of "audiovisual media services", regardless of distribution method. Those caught by the framework need to be prepared, however the UK rules have not yet been fixed. There is still scope to lobby regulators as they work to meet the deadline of December 2009 to implement the Directive.

E-payments: less regulation in sight

The long-hailed revolution in e-payments may finally take off through the European Commission's proposed reforms to the complex regulatory regime. Relaxation of the rules and exemption of certain activities, such as payment for ring tones and games, mean e-payments create huge opportunities for media and telecoms companies, but understanding these changing rules will be crucial to success.



Myla Villanueva chairs the Mobile Innovation Forum for GSMA. She is Partner and Managing Director of Novare Technologies and founder of MDI Group. She also founded Wolfpac, a pioneer in mobile applications development in the Philippines, and Meridian, the first broadband wireless provider in the country. She is also the Executive Management Committee Representative in the GSM Association for Smart Communications.

As an advocate of wireless technology and entrepreneurship, I could not help but want to share the inspiring life and insights of Sunil Bharti Mittal. From humble beginnings, his is a journey of a young man who became independent of his father's political career (a provincial parliamentarian), started out as a bicycle trader with \$1,500, moved on to become a landline phone manufacturer and distributor and, anticipating the importance of the cellular device, went on to start a cellular company. Thirteen years fast forward, he has built one of India's most valuable companies in Bharti Airtel. With close to 77,500,000 connections as of third quarter of 2008, Bharti Airtel is the third largest operator in terms of number of connections in a single country, next only to China Mobile and China Unicom. Sunil's personal history is invariably intertwined with the communications revolution that has earned India the attention of the mobile and technology worlds as one of the most important markets.

While the big names like Vodafone and Telenor are now busy trying to crack the hyper-competitive Indian market, Sunil is thinking of global emerging markets as well. While his \$37 billion bid for Africa's MTN failed last May because of disagreements in structure, the bold move to acquire MTN would have created a footprint in 21 countries, added 62 million subscribers and sealed his company's emerging market coverage from the Indian Sub-Continent, through the Arabian Crescent and on to sub-Saharan Africa. The dream to build a global brand seems to be still on the horizon.

Such is the bravado, decisiveness and clarity of vision that has earned Sunil honours including Fortune Magazine's Businessman of the Year (January 2007), India's Ernst and Young Entrepreneur of the Year, and the highest citation of the mobile industry, the GSMA Chairman's Award (February 2008). I hardly think the honours will stop here. Sunil is only 55. Furthermore, he is not shy about his patriotism, and among other Indian dreams is his aim to build a championship team for the World Cup in the next few years. Hearing

him speak passionately of India and its limitless possibilities, I could not help but wonder about his political aspirations. On a bid for presidency some day, he answers me simply with "Why not?".

I had breakfast with Sunil in his New Delhi home last summer, well before the financial crisis of today. Sharing this story has become more meaningful for young technology start-ups, innovators and entrepreneurs facing today's challenges.

MV: Was entrepreneurship always a calling and was there anything else that was an option?

SM: No. When you grow up, you have all these different visions and dreams, but frankly speaking, other than some thoughts of being in the air force, given that I barely managed to graduate (I was a very bad student, you know), I did not have much of an option either. If you have not a great education behind you, there are two areas you can go into: politics or being an entrepreneur. I come from a political family - my father was a long-standing member of the parliament - but I was always the entrepreneur. I was always the one who wanted to be in business, and therefore, yes, entrepreneurship was a calling. I also came from a city (Ludhiana) which is very entrepreneurial. Almost everybody works for themselves however small the business may be. That is the hub of India's small-scale manufacturing. Therefore, I was influenced by my peer groups: students, college and school friends. I have to be in business, yes, and I have to be an entrepreneur.

MV: You are the number one telecommunications company in terms of mobile subscribers in India. What else are your ambitions for Bharti Airtel within and outside of India?

SM: Currently, I think the vision for us in the next 18 months is to get to 95 per cent coverage. I think there will be 5 per cent that we'll probably never be able to cover on the margins. The good news is we have been expanding our network at a ferocious speed, and in many areas where no one can imagine we could ever reach. They are so far flung we would be carrying base stations on the back of

mules and connecting them via satellites. So the idea is to get to 95 per cent coverage. India is a very competitive market, so staying ahead of the pack is another mission for us. We will get to 125 million customers by 2010, and that means doubling our customer base from where we are today. That will make us, outside of China, the in-country largest operator in the world. So that is the vision we are getting moving forward. And at the back of the large customer base we have will be the Internet, new services, money transfers, m-banking, music ...

Outside India, we remain in hard pursuit, but we are not succeeding. There are very few targets that are left now. Where does one go? You can pick up an odd one sometimes in East Europe, or Africa, but that does not make a strategy. We want a large company, and that's currently very hard to get. We keep track of opportunities, but nothing is concrete.

MV: As an operator, do you see yourself doing things like the Japanese where they invest in technology companies, rather than invest in other operators?

SM: From the point of view of collaborating with the technology companies in terms of putting their content into our networks, getting their products and services and to that extent if somebody requires some support, we can do it. But we do not really actively, as a telecom company, develop our own stuff. Our vision is to be neutral, and to be one of the best providers of services to the open community. So, for example, some of our competitors are developing their own content - entertainment, music - we avoid that. We work very closely with the community of developers but we don't want to be competing with that community of developers. Our view has been: we will be very open and transparent to the developing community.

We are trying to be the first one in Asia in putting up a major SDP platform ... This is done by IBM, which is a very expensive SDP platform ... where all developers can just plug and play, and we will just do revenue share. That is what we are currently doing for our music, gaming, astrology, whatever else there is on the mobile phone today. So if you are a developer, and you've got a product, we don't

want to second guess it. We will bring it in, provide it to our customers, and give some back into it in terms of promotion. If it picks up traction, both parties win. We are really loved by the developer community because they know it's fair, it's transparent, and the customer base is very large now.

MV: For start-ups, financing and partnerships are always a very difficult thing and you are known to have come up with creative ways of partnering. How did you persuade people like Warburg and Singtel to invest in you?

SM: Before that we had telecom investors who knew the business: British Telecom, Telecom Italia, SFR. We've had many investors who have come and gone, sold out for different reasons, all happy reasons of course because they all made money. It was tough, but I think the Indian telecom story was very compelling and we as a management team were almost always able to convince our investors. While there was stress at different intervals, when we tried hard we got the money. Warburg became our first financier in that sense, with \$60 million – a small amount of money, but large at that point in time – followed by Singtel, which came with large amounts of money.

MV: It took many years: you started Bharti Airtel in 1995, and you have seen many companies in the industry that have come and gone before turning profitable. Where did this faith and persistence come from and what was driving you during those very difficult times as a start-up?

SM: I think we knew that we had to make a success of our business. Very clearly, we did not have enough financial resources like large business groups. We were a start-up in the real sense with very small capital. For us it was a make or break, and for very large companies that is not necessarily the case because they have many other businesses going, with some professionals who are running it for them. This team was driven very passionately towards succeeding. We also turned profitable in our Delhi ventures, which is the first one, in two years' time. We rewrote a lot of myths in this industry: that you cannot be profitable in five, six, seven years and that you need to have billions of dollars to start with. We started with almost no money, so we broke a lot of

myths. This business is modular. You can get to 100,000 lines to 500,000 lines. You can grow your base stations modularly. If you have less money, you don't cover too much, but, whatever you cover, you cover well. So we learned different tricks in this business. Our capital productivity was the highest. Our EBITDAS became pretty strong despite large licensing fees in the country. And our focus for our customers was very high and the brand building happened simultaneously. Five years back I think we hit a very big trough when the government allowed, through back door entry, two or three of the players in the fixed line wireless local loop to enter mobile. They also allowed the government incumbent to come into mobile. And that was the time, I would say, that the company shook a little bit, because that was also the time when we had picked up 16 new licences. So, we were a mid-sized company and then we were going all-India. And we are doing long distance fibre - 30,000 kms, submarine cables, fixed line, satellite nodes - so everything was happening at the same time. The moneys were not there, the people were not there, and that was the time when we said "outsourcing". I said we will kill ourselves hiring 20,000-30,000 people in one year - to train them, to induct them - we can't do it. That really was the catharsis, when we said we needed to outsource, otherwise we would collapse. That, I would say, was a one-year period, a very difficult period of trial and tribulation for us. We came through it with determination, to my mind the defining period for the company.

MV: How long were you waiting before you said "OK, we'll make it"?

SM: I think about 12-15 months.

MV: That must have been an eternity.

SM: Everybody was asking for money from Bihar to Bombay. We had so many new projects coming up and everybody wanting money and people, but I must say that was a period of great learning as well. I really felt the true sensation of how people matter. My only job was already going around the country, rolling up my sleeves, having all-day reviews, following up on how projects were shaping up and, in the evening, dancing with them, celebrating with them. And as I would leave from one post for another, I would go

with a lot of confidence that, if this business is all about people, this company will kill the competition, and that is what we did.

MV: India is innovative and pioneering in terms of the business use cases for voice and SMS. Do you feel that, with 3G, there will be a different business case in emerging markets?

SM: Absolutely, I think India's date with destiny lies in the broadband area. India has not rolled out enough copper. We only have 40 million copper lines, only in pockets and only in cities. If you are to connect a country, especially the suburbs and deep rural areas, you have no choice but to get to 3G HSPA, as soon as possible. Once you have an HSPA type of network, then the developing community is bound to create services, which we can't do on 2G. In my view, those services are just waiting to happen. I think that this is the time when India should take full advantage of the software community, the IT finesse that we have here, and the technology orientation that is available in India.

MV: You are now letting go of the daily functions in Bharti and entering new adventures with retail and agriculture. What legacy did you want to leave behind in the mobile industry?

India's date with destiny lies in the broadband area

SM: I think my desire was to really be known for three things. One, which is fundamental for us, is, this should be the magnet for attracting the best of the best people in the world. So, it should be the best place to work for. And that culture must be retained. Today, it's a very large company but it's got the soul of a small company. So, I would say, the top talent must seek us as a point of his choice of first preference. That is very important for me. The other one is that our innovation and speed to market, which has been our forte, must be the engine to continuously get our customer attention. And, thirdly, we should be known for best practices, like outsourcing, like buying traffic rather than buying boxes from our vendors.

These are the three building blocks on which the company exists, and this must carry on. This will be a large company - this will be a massive telecom company - there's no question about that now.

MV: Can you share a message to the mobile start-ups in the industry today?

SM: I must say, one thing is for sure: this industry has the potential to transform people's lives, there's no question about that. So, while you build businesses, one thing that will give comfort to all, including the established and the new ones, is that, as they build businesses, they can be very proud that they are making a great difference to the society. So it's not about just making money, but you are actually making a big difference. Telecom has changed the face of this country. And I also feel that, if you are determined and you continuously stay on course, the amount of wealth that can be generated out of this business is again unprecedented. In this country, you have seen companies of 100 years creating wealth, and then you have seen others that have done it in 50 years, some 30 or 40 years. This is the one where you can do it in five, seven or ten years. And therefore I would say don't lose hope if you are at the start-up phase, and don't get too worried that all the large people have taken their pole positions, that they have a lead miles ahead. In this industry, you will get your chance, and when you get your chance, you can move ahead.

Entrepreneur Country welcomes 300 guests from across Europe

by Claire Oldfield

The spirit of entrepreneurship remains vibrant and infectious – despite plunging stock markets, the spectre of rising unemployment and the credit crunch.

Almost 300 of the UK's leading entrepreneurs, including Caffè Nero founder Gerry Ford and Betfair co-founder and Chairman Edward Wray, shared stories of success at Ariadne Capital's one-day Entrepreneur Country event. The seminars, held at the Institute of Directors (IoD) in central London, coincided with the official launch of Entrepreneur Country on line.

For Sir Paul Judge, chairman of Schroder Income Growth Fund and of the Enterprise Education Trust, enterprise remains the lifeblood of the UK economy. His "how many people will die today" metaphor may have been somewhat macabre, but it clearly demonstrated the risks of life and starting a business. He began proceedings at the IoD with an acknowledgement that these are difficult times. But he told the audience that hard times are not necessarily all doom and gloom for entrepreneurs. "The higher the risk the greater the return," he told them, adding that "risk is an inherent part of progress".



Photograph by Iona Firouzabadi

Sir Paul also debunked the myth that fledgling companies are more risky than more established ventures with statistics that revealed big companies are not as “safe” as they are perceived to be. For example, the top 25 companies in the US in 1900 were tracked and only two of the original 25 remained by 1960.

Thunderhead’s brainstorm

Although the state of the economy was uppermost in everyone’s mind there were clear examples of successful entrepreneurial companies, such as Glen Manchester’s Thunderhead, which was built through the technology recession during the early years of this decade.

One of Manchester’s opening shots was to declare “recession is a good time to build a company”. Certainly Thunderhead, which began life in the technology doldrums of 2001, is a shining example of success. The company has come up with a hassle-free system that allows companies to control all their communications. After perfecting the offering, Thunderhead’s first customer was Deutsche Bank, which led to an initial dominance of the investment bank sector – though this has now expanded and the company works across many sectors.

Last year Thunderhead was named by Deloitte as the fastest growing technology company across Europe, the Middle East and Africa. And Manchester picked up his own entrepreneur of the year award last November.

“Recession demands a change of approach to make companies more competitive and successful,” he said. “This is a good environment to build an organisation. Recession creates necessity.”

Manchester’s rationale when he started out was that large companies would not be investing and small companies would not be innovating. “I thought I could pounce,” he explains. It was a tough time to get venture capital backing so Manchester ended up funding it himself. He was spurred on to make a profit because he had his own capital tied up in the venture. His lessons for entrepreneurs starting out are to focus on profit, and to concentrate on one industry and become very good at it.

The Flickr for data

Roman Stanek, founder and chief executive of Good Data Corporation and an Ariadne Investor Member, entertained the packed audience with his theories on launching and running a business. Good Data is Roman’s third company and he showed that great technology companies do not have to be built in traditional business centres. After all, he has successfully built a generation of honed development teams in Prague and Vietnam.

Roman, who describes his group as the Flickr for data, also delivered some razor-sharp observations about how business can thrive in a downturn. Firstly he said forget the traditional business plan.

“Don’t get a plan. Get a meta plan,” he said, proving that all plans morph and businesses must have a meta plan to be able to adapt to ever-changing market conditions. He also found favour with event delegates when he pronounced that rather than being worried about a recession business can embrace it and come out stronger the other side.

“Tough times create tough companies,” he said.

Betfair’s set fair

Edward Wray, chairman of gaming giant Betfair and another Ariadne Investor Member, continued Roman’s theme saying that, while the economy has made things harder, there’s no reason to panic. He also caused quite a few chuckles when he revealed that he had absolutely no idea what he was doing when he first sought funding to launch Betfair in 1999. But that start-up wobble didn’t stop him building one of the world’s most successful online gaming groups. And he certainly did not want his mistake to put anyone off launching their own new project.

“If there’s one piece of advice I would give people,” said Edward, “it would be to have the courage to go and do it. Do something you’ve always believed in and be brave. The rewards, in terms of satisfaction and sense of achievement, for building your own company are just wonderful.”

Ford focus

Focus was a message from Caffè Nero founder Gerry Ford. With a background in venture capital and a childhood growing up in the shadow of Silicon Valley, Ford approached setting up his business in a very structured way. He came up with the concept in 1996, but then he spent 18 months laying the foundations so that the company would start out on the right footing. This meant an attention to such detail as the company colours, the logo, the product mix and even the blend of coffee – all designed to make it stand out from the competition. Diligence paid off and Caffè Nero is a well-documented success story. It grew rapidly and spent a period of time quoted on the London Stock Exchange before returning to private ownership in 2007. The company now boasts 400 stores in 200 UK towns, has 4,200 employees and serves 1.1 million customers a week.

Ford’s personal mantra for success is to be “restless and relentless”. And he said it is important to be innovating and developing constantly. “If you are not moving forwards you are moving backwards.”

The event ended with new contacts having been forged, and a new generation of entrepreneurs inspired to make their businesses flourish through the economic downturn.

Entrepreneur Country Manifesto

developed by Julie Meyer, Immediate Past President, GTWN



Julie published this manifesto back in June 2008, to coincide with the launch of the Entrepreneur Country Forums. While the world as we know it has changed enormously since then, she still believes that this manifesto is relevant in the current market conditions. Or, perhaps, it is even more relevant?

Photograph by Iona Firouzabadi

The Manifesto

We believe:

1. That leaders are those people who create trust in society and their businesses, and that trust is efficient. Success is forged through competition and human greatness is possible precisely because people are not the same and they have the option to choose whether they want to lead or follow.
2. That the entrepreneur creates intellectual and financial wealth through which the entire society benefits and progresses, and so entrepreneurs and their teams should be richly rewarded for taking the risks that they do (and which the rest of society chooses not to but from which it still benefits).
3. That the bigger the State grows, the weaker the people become - big government creates dependency.
4. Successful entrepreneurs of hyper growth companies are a subset of entrepreneurs who are a subsector of a strong citizenry who take full accountability for their lives and understand not only their rights but their total responsibilities.
5. That no real, sustainable wealth creation through entrepreneurship ever owed its success to government.
6. That successful entrepreneurs cite common factors that shape their unique drive, self-belief and desire to create and contribute at every stage in life - education, travel, opportunities to test what they can do as individuals, learning how to sell early in life, strong teachers, business role models, parents and mentors who honestly encouraged them to be everything they could be.

7. That it is still counter-cultural to be an entrepreneur in the UK and Europe but it is no longer a niche activity or aspiration; the emergence of serial entrepreneurs and the impact of their wealth and experience is felt in their backing of the next generation of entrepreneurs.
8. That early stage venture capital now has two distinct areas - early stage venture capital, and late early stage venture capital. The only people who do and can do the former exquisitely well are entrepreneurs backing other entrepreneurs.

The entrepreneur creates intellectual and financial wealth through which the entire society benefits and progresses.

9. That world-leading firms can just as easily come out of the UK and Europe, as anywhere else in the world. Historically, UK and European entrepreneurs haven't played on the global stage: not because they are inferior, but because they come from a culture that encourages them not to expect success. This is changing and must change further still.

10. That the financing of entrepreneurship has not kept pace with the high quality and achievements of entrepreneurs in the UK and Europe.

11. That the triple play of the internet, entrepreneurship and individual capitalism is an unstoppable force around the world, and that individual capitalism is the force that will shape the 21st Century.

12. That talent flocks to great opportunities, and, as those companies grow, leaders should have the flexibility to make the right decisions about talent in the firm - not everyone can or needs to make it from start to finish in a start-up, not even the founders.

13. That great people have great ideas and build great teams, and that capital always backs great people with great ideas who build great teams - always has, and always will.

14. That each one of us has a unique contribution to make to the world. It is our responsibility to determine what that is, and to make it.

15. That we are a small group today in Entrepreneur Country who understand and believe these statements, and that these will dictate the future success of the UK and Europe.



Events around the world

GSMA Mobile World Congress

16-19 February 2009, Barcelona

The GSMA Mobile World Congress (formerly 3GSM World Congress) combines the world's largest exhibition for the mobile industry with a stimulating and insightful congress that brings together prominent leaders and personalities from mobile operators and equipment vendors, as well as internet and entertainment professionals.

The 2009 Mobile World Congress is expected to attract approximately 50,000 attendees, so don't miss this unrivalled opportunity to conduct business, discuss the hottest trends in mobile communications, and help define the industry's path to continued growth.

GTWN Power Lunch at Denton Wilde Sapte LLP

The next GTWN Power Lunch will be on 24 March 2009 and will be held at the London office of Denton Wilde Sapte.

Lorraine Heggessey is the guest speaker. Lorraine Heggessey has been CEO of talkbackTHAMES since May 2005. talkbackTHAMES is one of the UK's largest production companies, producing over two thousand hours of programming a year, for all major channels and across all genres and platforms, including The X Factor, The Apprentice, Grand Designs, Stephen Poliakoff's Emmy award-winning dramas, The Bill, Green Wing and Never Mind the Buzzcocks, to name but a few.

Further details from Ingrid Silver, partner at Denton Wilde Sapte at ingrid.silver@dentonwildesapte.com.

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Mission Statement

The purpose of the GTWN is to provide a forum for executive women active in telecommunications to get together and "network"; to provide a role model to younger women managers active in telecommunications; and to contribute to the evolving global information society in a positive manner.

DentonWildeSapte...

Denton Wilde Sapte is an international law firm with a network of offices and associate offices spanning the UK, Europe, Middle East, CIS and Africa. We provide a full range of commercial legal services to leading organisations across four core sectors: Financial Institutions; Energy, Transport & Infrastructure; Real Estate & Retail; and Technology, Media & Telecoms.



Notes

A series of horizontal dotted lines for taking notes.