

lingua business

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Gold Rush

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For decades, the world's largest telecom AT&T has been serving the largely American markets, limiting their international presence to a few overseas carriers to make their balance sheet look good at the end of the year with dividends. But now, the new CEO of AT&T Randall Stephenson has a new strategy which has initiated a genuine gold rush ... **Next Stop: INDIA!**

Since 1990, AT&T has merged with over 14 different companies to form the largest telecom operator in the world. The company began their shopping spree with CEO Edward Whitacre at the helm of the ship. But now that the company is under new management, the shopping has ceased, but operations have just got started.

For a long time, the original mergers carried out by the telephone operator were designed to boost profits, while adding value to the company's overall share value in the marketplace. But now Mr. Stephenson has the company's eyes set on a potential bombshell: India.

According to Mr. Stephenson, the marketplace in India, with over 500 million potential wireless users, is the perfect

emerging market in the telecom industry. Together with countries like China, Vietnam and Saudi Arabia, India represents a potential gold mine for the first ones to get there.

And the race has already begun. Earlier this year, the Indian government loosened certain restraints to foreign investment in India, allowing major telecoms like AT&T to buy into the Indian market. Their first move was to acquire local telephone carrier, Telecom Mahindra and acquire the necessary licenses to operate. They are already spending millions in installation of network infrastructure to increase the amount of data they can transmit all across the country in a number of strategic cities. And to top it all off, AT&T has planned to open up their own headquarters in New Delhi.

Outsiders such as AT&T have their work cut out for them though. The Indian marketplace has been traditionally dominated and run through local telecoms and telecommunications networks. As new products and services evolve, the chance of wireless penetration rates goes up in direct proportion, however. Some experts have already confirmed a market for the expensive iPhone, which AT&T plans to introduce there.

AT&T is now heading the gold rush to India, together with other world telecom operators. But Stephenson plans to turn his company's philosophy around, and run companies outside the US, and use the company's consolidated sales operations infrastructure, to beat the competition.

The battle wages on to occupy the pole position in the race to become the world's leading wireless service provider. The question is ... who will get to the finish line first - at least in India.

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