

## Interview with Carolina Cosse, President of ANTEL, Uruguay's leading telecommunications company

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*IN FOCUS (IF): As the person leading Uruguay's main telecommunications company, what is your vision of the telecommunications sector in Uruguay and how do you see it in five years' time?*

**Carolina Cosse (CC):** Uruguay is in a cutting-edge position in the field of telecommunications in Latin America. At this moment in time, the figures are very important in terms of penetration and quality of service. Fixed broadband has a 47%-48% penetration in homes, for example—the highest in Latin America. In terms of broadband access per 100 inhabitants, the country is at 15.7% which is also very high for Latin America.



Ing. Carolina Cosse,  
President of ANTEL

Our average download speed is 8 megabytes per second according to Net Index, a speed which is very important for the region and for Latin America, and is generally very good worldwide. So we are combining quality and penetration.

We do this with significant public investment. This company maintains its turnover every year and those who know telecommunications understand it is a great challenge in a telecommunications landscape where traffic is shifting from fixed to mobile services and where the thrust of broadband requires great investment for the future. ANTEL does not have any debt so we have been carrying out major investments in infrastructure, particularly the broadband and cellular networks. Since October 2010, for example, we have been working on a fiber optic project for homes. So far, we have reached 240,000 homes. We have also made a significant investment in the cellular infrastructure and are moving to a 3G network.

Since December 2011, we have been rolling out 4G as well. This great wireless broadband capability

is operational in Punta del Este, Maldonado and Montevideo in the west, and we're going to continue, so I see us moving decisively and strongly in the area of telecommunications infrastructure. I think ANTEL has to start thinking more deeply about the influence of this penetration and this bandwidth capacity, as we are the digital economy generation.

*IF: What do you mean when you speak about a digital economy?*

**CC:** I refer to it in the sense that there are more and more jobs being generated that require more qualified people and it is easier to study online. Technical careers, or engineering can be stimulated from a younger age through the Internet. From mobile applications to more general products and services, you need to be IT smart. So we may have real influence in that ANTEL is running a very powerful infrastructure with an important part to play in shaping a generation of national enterprises.

For that to happen we have to promote partnerships with many people, and we are doing that through a three-tier data center. This is an internationally recognized standard, a standard formulation of data centers, and we are currently undertaking an expansion of approximately 2,000 square meters. It started with 250 meters, we have expanded to 500 meters, and the business model is going well. We decided to go to more precisely into a technological feature that has to do with just being a logistical and technological hub. We are already in the field and construction will start in 2013.

*IF: It's an exponential increase.*

**CC:** Yes it is, because we have seen that our current data center services go fast without much effort. We have the means whereby large businesses can locate a world-class data center, but we also have the framework, so are also offering small businesses to use our services. This promotes cloud computing.



*IF: President Mujica said that three million is a very small market for ANTEL so it needs to go in search of new markets. This year (2012) saw the launch of the OITA, the International Organization of American Technologies—also headquartered here—which referred to Uruguay becoming the technology hub of the region. How does this data center help the positioning of Uruguay as a logistics hub?*

**CC:** It is providing strong support infrastructure for technology companies and the technology required for installation—it's a fundamental contribution.

*IF: And that cooperation exists today with the region?*

**CC:** ANTEL has always maintained contact with other operations in the region through the intense activity of its own business, but OITA is organizing public telecommunications companies in Latin America that has allowed it to have areas of discussion and development around issues unique to each of us. We've created a team of international business within ANTEL that is working with the seriousness required and focusing on finding other consulting opportunities or telecommunications operations in the rest of Latin America.

*IF: As a telecommunications company, you must generate partnerships with countries in the region and worldwide to offer a quality service abroad. How are you developing this, especially with China?*

**CC:** That is precisely why we conduct roaming agreements with operators worldwide. I think there is much more to be done in terms of promoting the skills in software development of our country to big markets like China. ANTEL can be helpful for Uruguay because of our infrastructure, as well as organizing knowledge

among the community of developers and entrepreneurs in China.

*IF: Roberto Kreimerman, Minister of Industry, Energy, and Mines said that Uruguay is trying to position itself as a software developer in the world, while Enrique Pintado, Minister of Infrastructure and Public Works said that 10 years from now one in three phones will have Uruguayan software.*

**CC:** Hopefully before.

*IF: There is growing demand from China. What steps is ANTEL taking to reach this market?*

**CC:** The main activity that encourages ANTEL to reach these markets is to promote the training of people in that category in Uruguay, because the software industry has been very successful here. Like most of the world, Uruguay needs more people trained in IT. ANTEL is promoting a series of activities to stimulate the study of IT in Uruguay, because if we are going to undertake joint ventures with huge markets like China, people have to be prepared. We need to be taking steps to ensure that there are people prepared in Uruguay in 10 and 20 years' time.

For this reason, ANTEL is leading a campaign to break the fear of studying math in school. ANTELMATICA, as it is called, has many components, but will largely consist of math teachers meeting up with ANTEL to disseminate children's activities and entertainment that will help them solve mathematical puzzles.

We are also promoting a competition, a kind of math Olympics, where various academic institutions compete against each other to develop games. In the Global Game Jam, an international competition doing the same

thing, Antel and Uruguay took a leading role. Another event was the “24 hours of innovation,” where all universities have 24 hours to develop something new.

We understand that the public company providing infrastructure cannot be oblivious to the use it will give to that infrastructure. We believe, therefore, that Antel should promote how to get the best use of Internet, for example, as well as giving people the technology education they need. Last year, we went to 350 schools nationwide and have been to 450 more this year (2012). It is not only the promotion of activities but making them mandatory that counts. ANTEL has a very close relationship with education.

*IF: China is your second largest trading partner. How would you rate the level of bilateral relations with this country?*

**CC:** Excellent. We have two major suppliers from China, and we have a good, serious relationship with both of them.

*IF: You have signed an agreement with Huawei, the Chinese telecommunications company. What is the potential for further development with Chinese companies?*

**CC:** The potential is huge because ANTEL is working on infrastructure and is interested in developing new capabilities. ANTEL will study any serious proposals for cooperation agreements.

*IF: What particular services or technologies would ANTEL be looking at in China?*

**CC:** ANTEL and China are bringing new technologies to Uruguay. The nodes that bring fiber cable to homes, all that active network equipment is from a Chinese supplier. The cable for radio technologies also comes from China.

*IF: The market is changing to mobile telephony. As the operator responsible for fixed line services nationwide, how are you dealing with this?*

**CC:** ANTEL's slogan is “forward together”. That means we have to bring the best technology to as many homes as possible—we are a technology company, but we also are a public company. We may be a technology company that imposes its products—there is something

to that—but what interests us is the ownership of each of our products by the people involved and them knowing how to use and find applications.

*IF: So onto the mobile phone. ANTEL launched its services in 1994 and Uruguay was the first market that opened to private companies. Today, Uruguay has three businesses operating in this field, but ANTEL has most of the market share with 46%. What is your assessment of the level of competition in mobile telephony?*

**CC:** We work with it. Given that reality, ANTEL has to compete very well out of respect for our customers, our owners. Being competitive means being efficient, sustainable, concerned about education and always trying to find the best and most appropriate technology and the most affordable prices. ANTEL has a product called “Universal Household” that allows any of our fixed-line customers to have limited access to broadband traffic for free. That's competitive zeal. We are committed to our primary goal which is having 100% of households connected to the Internet.

*IF: What are the developments in terms of 3G and 4G mobile connections?*

**CC:** I think that in the not-too-distant future, telecommunications will not be classified as fixed, mobile, and so on, but in terms of broadband and applications. ANTEL has had considerable success with regards to the percentage of smartphones — so far in 2012, 25% of our sales were smartphones, which is a very high percentage and beyond the world average, which is within the 12 to 15% range. So what I see as a major challenge is the promotion by ANTEL of a generation of apps for smartphones and tablets.

*IF: China is a leading producer of mobile phones and smartphones. Would there be any interest there?*

**CC:** Yes, we have a large purchase volume of terminals from Huawei for example.

*IF: What advice would you give to women who want to get to high profile positions?*

**CC:** Have the confidence to believe you can do anything. There are times when one has to impose authority more forcefully, but I assume my responsibility and am not afraid of making decisions.