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Бұрынғыдан
элдеқайда жақын
Ближе, чем
когда-либо



High speed Internet on top of the world

TeliaSonera and Ncell bring 3G high speed communication to Mount Everest area

> TeliaSonera announced that its subsidiary in Nepal, Ncell, has successfully launched 3G services in the Mount Everest area. By the end of 2011 Ncell will provide mobile coverage to over 90 percent of the people in Nepal.

"This is a great milestone for mobile communications, and strong evidence of TeliaSonera's pioneering role in this industry that is truly changing the lives of billions of people", said Lars Nyberg, President and CEO of TeliaSonera.

"We are very proud to announce the world's highest mobile data service as we launch 3G services in the Mount Everest area in the Khumbu valley. From its perch on the world's tallest mountain, 3G high speed internet will bring faster, more affordable telecommunication services to

the people living in the Khumbu Valley, trekkers, and climbers alike", he continued.

Located at an altitude of 5,200 meters the highest 3G base station enables locals, climbers and trekkers to surf the web, send video clips and e-mails, as well as to call friends and family back home – all at far cheaper rates than the average satellite phone. Everest base camp just came a little closer.

3G grows subscriber base

Through the expanding of 3G network, Ncell will also provide affordable services to the entire population of Nepal. Mobile penetration is still low, but rapidly rising. This trend is being driven largely by investments TeliaSonera and others are making in modern telecom infrastructure. When TeliaSonera

entered Nepal in 2008, mobile penetration was around 15 percent, and by the end of the third quarter this year it was already over 30%. Ncell already boasts 3.7 million subscribers and the advent of the 3G network is expected to boost this subscriber base.

At a press conference held in Kathmandu, Lars Nyberg, President and CEO, Tero Kivisaari, President of Business Area Eurasia and Pasi Koistinen, CEO of Ncell, also unveiled plans for future TeliaSonera investments in Nepal. TeliaSonera has decided to increase the pace of investment for 2011 and spend over 100 M USD. This will ensure mobile coverage to over 90% of the population with affordable telecom services that contribute to the economic and social development of the country, as well as 3G coverage in all major cities and other densely populated areas.



TeliaSonera reports its operating results for January-September 2010

The major outcome of TeliaSonera's development during the 3rd quarter of this year is the increase in the revenue growth rates and the accounted proceeds

> Making his comment on the impressive results of the company's development TeliaSonera President and CEO Lars Nyberg said, "Further increases in the growth rates during the third quarter are encouraging, just like the fact that this growth has been observed throughout different branches and divisions of our group. Both in the mobile communication services and throughout the Eurasia Business Area we have observed increased growth as compared to the performance indicators of the previous quarters, with the former being determined by the factor of the mobile DTS and equipment sales, and the latter one being influenced by revival of the global economies and higher penetration rates of the mobile communication services. A more important factor is that we assuring a growth of the profitability and EBITDA rates, with the exception of amounts in the non-recurring items in the Income Statement; during the third quarter these performance indicators were the highest all through the company's history.

The development and proliferation of smart phones across Scandinavian countries increase our

profits from data transmission services and sales of equipment. Currently, seven out of ten clients in Sweden purchase smart phones and use them frequently. This results in the growth of the average rate of return per subscriber. Our clients have got the newcomer iPhone 4, and we can see their chase after other new models of smart phones based on Android and Symbian platforms. Our Spanish service provider, Yoigo, has achieved the absolute maximum during the entire period of observations over clients inflow rates, which has reached approximately a four percent market share, and we are still confident that the fast-pace operations will bring us to positive EBITDA rates in the fourth quarter of 2010.

In the Eurasian Business Area we have invested substantial amounts of funds into construction of high-speed mobile communication networks in Uzbekistan and Nepal since the time when the companies were acquired in 2007 and 2008. Now we can see the result of our efforts. Both Ucell and Ncell contribute to achieving of the absolute maximum of the subscriber inflow, and we are now catching up with the market leaders of both these countries to eliminate the gaps between them. At the same time, Kazakhstan, our biggest market in the Eurasian area, witnesses the continuing growth

of revenues in the local currency with the increase by more than 20 percent during the third quarter.

As to the broad-band access services, here we have observed acceleration of the pace in transition from conventional fixed-line communications services towards a broad range of new generation services like IP-television and video upon request. This factor contributes to our stronger belief that our fixed-line network is a key problem to resolve, and also the one to establish future differences between our revenue items and sources. Additionally, this is a short-term objective since we are undergoing transition from ADSL (Asymmetrical Digital Subscriber Line) to VDSL (Very High-Speed Digital Subscriber Line), and providing a majority of individuals and business entities with telecommunication services arranged through fiberoptic cable. We hope that we will be able to make this hard transition and maintain stable profits. We are also encouraged by the fact that currently our subscriber base includes more than 350,000 clients using fiberoptic systems and LAN communication services, which enables sales of many services to our current clients.

Once again we have analyzed the prospects of increasing our total net sales over this year and we believe that the index of EBITDA-margin in 2010 is going to be higher than that of the previous year".

TeliaSonera in NFC pilot project – mobile phones replace hotel room keys

Along with the growth strategy of TeliaSonera to further develop the online society a pilot project on replacing hotel room keys with mobile phones has been launched at Clariton Hotel Stockholm, Sweden



> Five companies — ASSA ABLOY, Choice Hotels Scandinavia, TeliaSonera, Venyon and VingCard Elsafe — have joined their forces to implement the project for replacing hotel room keys with NFC-equipped mobile phones. The technology makes it possible for hotel guests to check in and check out using their mobile phones.

"At TeliaSonera we are looking for many various ways of using mobile phones to make our customers' life easier. The NFC technology, along

with other inbuilt technologies, brings a new dimension to the mobile device which opens new growth opportunities" says **Johan Wickman**, Head of the Research and Innovation Division at TeliaSonera Mobility Services.

Learn from customer feedback

The goal of the pilot launched at the Clariton Hotel in Stockholm is to get feedback from guests and

employees using the NFC mobile phones for various services. Guests will have the opportunity to check in at the hotel and get keys to their hotel rooms directly onto their mobile phones prior to their arrival at the hotel. Guests can also get the access to other services via their mobile phones; and on departure the check-out with the use of the mobile phone promises to be easy and stress-free.

The pilot project started on November 1 and will last for four months. In time the experience gained in the course of the pilot implementation at the Clariton Hotel Stockholm is planned to be enhanced and expanded to other hotels as well as to commercial and residential buildings.

Pilot projects on launching mobile-contactless services such as payment, ticketing, loyalty program, have been successful and now

NFC (Near Field Communication) is a short-range wireless communication technology standard that enables data exchange between devices over up to a 10 cm distance. Applications include contactless transactions such as payment and transit ticketing, keys, data transfer including electronic business cards as well as access to online digital data.

the abovementioned services are available at the commercial market. Following the success of such pilot projects a new category of services – mobile keys — can be added to the mobile-contactless service industry.

On implementation of the pilot project at Clariton Hotel Stockholm, Sweden

The selected hotel guests are provided with a Samsung mobile phone with NFC and relevant software. They reserve hotel rooms the usual way

and then receive booking confirmation on their mobile phones. The guests can check in on their mobile phones already before arrival at the hotel. As soon as the check-in is completed a digital room key is transferred to the mobile phone. Upon arrival at the hotel the guests can go directly to their rooms without waiting in line to check in. They can open the door of the room by placing the mobile phone in front of the door lock. When leaving the hotel room, the doors lock automatically, the guests check out by using the mobile phones and the digital hotel room keys are deactivated.

PERSON

Interview with
Mr. Esko Rytönen
to Vox.com magazine



Esko Rytönen,
Consultant of TeliaSonera

Result Targeted

We know that till recent time you held the position of Vice President, TeliaSonera Eurasia. Could you please tell us a little bit about yourself?

I worked for TeliaSonera for 12 years. I started in 1998 at Sonera, Finland's leading telecom operator, as Vice President for Corporate Finance. I continued my career in Corporate Finance and Treasury until, at the beginning of 2003,

I led or actively participated in such projects as Turkcell IPO, various financial projects concerning MegaFon and Turkcell, the acquisition of Ucell and Tcell from MTC Corp

after the merger of Sonera with the Swedish leading operator Telia, I took the opportunity of joining the newly established TeliaSonera International Head Office as CFO. This division was responsible for TeliaSonera's investments in the developing markets of Eurasia (and it was later renamed as TeliaSonera Eurasia). So I continued my work with MegaFon, Turkcell and the Fintur operations that had started already in 1997.

I led or actively participated in such projects as Turkcell IPO, various financial projects concerning MegaFon and Turkcell, the acquisition of Ucell and Tcell from MTC Corp. in 2007, and the acquisition of Ncell in Nepal and Star-Cell in Cambodia in 2008.

I headed Central Asian Region in TeliaSonera Eurasia starting from May 2008. In that position I was responsible for general strategy and development of Kcell in Kazakhstan, Ucell in Uzbekistan and Tcell in Tajikistan. And I will be happy to continue my cooperation with TeliaSonera as a consultant.

My background before TeliaSonera had been mainly with the Nokia Group, including the positions of Head of Group Finance Department, Vice President for Group Business Planning and Head of Trade, Project and Export Finance for Nokia Telecommunications.

— **What are your views on Kcell's development?**

— Kcell is the largest and most complex operation in the TeliaSonera Eurasia region — first of all, due to the relatively large size of the country. At the same time, the size of the population is twice smaller than, for example, in Uzbekistan or Nepal, whereas the mobile penetration rate is much higher than in any of those two countries. Hence one of the challenges in Kazakhstan is to sustain profitability while continuing to invest in the network quality, new technologies — WiMAX, 3G and beyond — and expansion, bringing the possibility of using mobile communication services to all of the country dwellers.

So far, Kcell has succeeded in maintaining this balance, however with the increasing pressure from the competition, the ever more price-conscious consumer, and the regulatory developments, we need to sharpen our focus and be increasingly alert and agile.

Kcell today is the leading mobile operator in Kazakhstan with an unrivalled track record exceeding a decade. Supported by Kazakhtelecom and TeliaSonera, Kcell has been driving the develop-

ment of Kazakhstan's mobile telecommunication market by bringing in the most modern telecommunication technologies and business knowledge. This is the reason why a half of Kazakhstan's population prefers Kcell services.

Since its establishment in 1998, Kcell has invested in Kazakhstan more than USD 1,5 billion and paid an additional USD 1,4 billion in taxes. Besides, Kcell has directly and indirectly created around 40,000 work places in Kazakhstan. Today, Kcell is one of the largest contributors to the country's economy among non-oil companies. This is certainly an achievement to be proud of.

Kcell is a major player in the industry, a reliable business with established business processes, capable management and a delivering team. It is a flagship of our operations in the Eurasia region.

— **What is Kcell's role in the Central Asia region?**

— Kazakhstan has the most developed economy in Central Asia. This is determined by a winning combination of the availability of natural resources, strong government vision and policy aimed at continuous development, and the population size which in this case can be said to be small enough to be effectively managed and taken care of.

Just like the Kazakhstan government aims for Kazakhstan to be a leading force in the region, Kcell can be the regional example, not only in Central Asia, but for Eurasia as a whole. I think there is plenty of knowledge and many best practices that Kcell could share and is sharing with other operations. We need to make the most of it. So I see Kcell's role in leading by example and inspiring.

But of course it would be wrong to say that Kcell is the only "thought leader" in the region. For example Ucell is the operator to look at when it comes to value-added services. Our strength and competitive advantage lie, among other, in cross-border sharing and synergies.

— **How do you see the future development of the TeliaSonera operations in Central Asia?**

— TeliaSonera is an international company with a global strategy, but wherever we operate, we act as a local player. Therefore we will always look for what's best for any given market and develop our strategies based on local insight and local market needs. That's

why we prefer employing and developing local specialists in each country.

There are some common trends that we think will be valid for all markets, including Central Asian ones. These trends are the growing demand for mobile internet, an even higher mobility of both individual consumers and businesses, and an increasing blur in borders between one's time dedicated for business and pleasure.

To meet the future demand, we need to focus on the development of next generation technologies, including 3G, and of value added services. We aim to achieve success by focusing on our key priorities which are:

- High quality in networks
- Superior customer experience
- Keeping our costs structurally lower than those of our competitors.

— When do you think whole territory of Kazakhstan will be covered with 3G? Is this technology still vital, after Kcell has launched WiMAX?

— It is true that we are now investing in building a WiMAX network in Kazakhstan. This is because we see the demand for mobile internet in Kazakhstan and we don't want to lose the momentum. WiMAX shows very good performance in terms of speed and quality, however it cannot offer full mobility and all the advantages of cellular communication.

Conceptually, WiMAX has been designed as an Internet access technology and not as a replacement to the existing cellular networks. WiMAX has its limitations when it comes to devices. For example, one cannot use a mobile phone with a WiMAX connection. There are no WiMAX-compatible handsets available in the market,

Conceptually WiMAX was developed as a technology providing access to Internet but not as a replacement for the existing cellular communication networks

because hardware suppliers worldwide have bet on the cellular technology and preferred investing in the development of 3G- and LTE-compatible equipment for mobile phone usage.

Next, it is not clear whether and how the WiMAX technology will evolve in the future. It is amazing to what extent cellular communication has developed for the past 15 years. Back at that time,

nobody could imagine the need for speed we are witnessing now in the mobile networks. Who knows what speeds and capacity humankind will require in another 15 years? With the cellular technology, we can foresee that investments will be made into R&D and further upgrades, whereas WiMAX has so far been supported by a limited number of equipment producers and carriers.

We can see no obstacles that might prevent introduction of LTE technology in all Eurasian countries



The evolution perspective is a very important factor for TeliaSonera. When deciding to invest in our networks, we always look for: (1) excellent quality and reliability of the network, and (2) the possibility of the network evolution, because we are after cost-efficiency and environmental friendliness – the more of the existing equipment we can upgrade and re-use, the better. In this sense, 3G ensures a smooth evolution.

On the other hand, it is not possible to skip 3G and jump from WiMAX to 4G (LTE), because like WiMAX, LTE is currently being developed with a focus on data transfer services, whereas 3G enables usage of both internet and voice-based services with a much better speeds – and hence much higher quality – than those available to Kazakhstan now. Therefore 3G will help to significantly boost the usability of voice services as well.

For these reasons, I see 3G as vital for Kazakhstan.

— What do you think of the prospects of 4G development in Central Asia?

— I think (and I'm voicing here also the opinion of TeliaSonera) that the future of the mobile networks lies with mobile data services. LTE, or 4G as we call it, with its speeds of up to 100 Mbps, is all about mobile data.

We don't see any reason why LTE should not eventually become available in all TeliaSonera operations in Eurasia. This region is developing fast and has a need for high-quality, reliable communication services, to be competitive in the global marketplace. People and businesses in Eurasia, like anywhere in the world, want to be connected to the global information highway.

That's why we are investing in the mobile technology evolution – 3G, LTE and beyond. We have recently acquired 4G license and frequencies in Uzbekistan, and Ucell has become the first operator among our subsidiaries in the developing markets of Eurasia to acquire an LTE license and present a fully operational LTE network start-up.

While we are waiting for licenses and evaluating the opportunities in the other countries, Ucell will be the knowledge accumulator and a test ground in this region, so that when it's time for us to launch LTE in other Eurasian markets, we will have a solid set of best practices to apply. And of course, our Nordic operations, where LTE is already available commercially since December 2009, will share their knowledge and provide support, just as they have done for the past 10 years. •

Kcell results in 2010

1

Kcell was appointed as the official mobile operator for the 7th Asian Winter Games 2011

According to Mr. Kulnazarov, president of the JSC Executive Direction of the 7th Asian Winter Games 2011, Kcell has been chosen as the official mobile operator for Asiada on the basis of such important criteria as reliability, quality and, of course, long-term reputation of the best corporate mobile network in Kazakhstan.

2

3G Launch in Almaty, Astana and other major cities of Kazakhstan

GSM Kazakhstan/Kcell received the status of official mobile operator of the upcoming OSCE Summit and provided this event which is very important for the international image of our country, with 3G network. Besides, GSM Kazakhstan/Kcell deployed 3G network in Astana, Almaty and other major cities of Kazakhstan.

3

Launch of the first LTE base station in Astana

GSM Kazakhstan/Kcell announced installation of the first base station of the fourth generation mobile network in July and made a presentation of the Long Term Evolution technology with participation of the RK Ministry of Communication and Information, RK Prime-Minister Secretariat and mass-media. LTE is the fourth generation mobile network technology which comes after 3G in the development cycle. LTE stands out among other existing mobile network technologies because of its high throughput; actually achieved speed of data transfer is 100 Mbit/s.

4

According to the EPSI, Kcell and Activ subscribers are the most loyal and satisfied among cellular network customers

The European Customer Satisfaction Index (EPSI) is a powerful economic index based on modeling customers' evaluations regarding quality of goods and services. It is for the second year that the mobile telecommunications EPSI Rating has been carried out in Kazakhstan, and it includes such indicators as Satisfaction and Loyalty of the subscribers. The EPSI's report states that Kcell is a leader in its sector, this operator's customers, in general, are the most satisfied with the services provided, while Activ subscribers are the most loyal. According to EPSI's conclusions, Kcell customers are the most satisfied with the "Perceived Quality of Product" and "Perceived Quality of Services" aspects. In respect of the "Value for Money" aspect, both Kcell and Activ customers are the most satisfied and believe that the quality they obtain is worth the money.

5

Implementation of online payments for Kcell and Activ services and via company's web sites

Online payment works on the basis of electronic payment portal of the company's partner bank and ensures absolute safety of money transfers and integrity of information in respect of the subscriber's account. GSM Kazakhstan/Kcell doesn't charge any fee or other commissions for top-ups via Internet. Online payments can be made by the holders of bank cards of one of the following international card systems: Visa International (irrespective of the issuer bank), MasterCard International (irrespective of the issuer bank), American Express (irrespective of the issuer bank), Visa Electron (issued by Kazkommertsbank, Citibank, Savings Bank of the Russian Federation, Kazinvestbank).

Profile

Veysel Aral is the Chief Executive Officer of Kazakhstan GSM/ Kcell.

Deeply interested in historical literature. His interests also include natural sciences, sociology, geography, politics, economy, literature and poetry. The favourite writers are Louis de Bernieres, Chingiz Aytmatov, Alexander Pushkin, Garcia Lorca, Amin Maalouf. His hobby is playing the flute.



Veysel Aral:

“What matters in business is the human factor”



During the last three years, Kcell has been headed by Veysel Aral. A charming, wise and versatile man, he told us not only about new technologies and Kcell strategy for the upcoming year, but also the secret behind the personal success of the CEO and his company

— **How do you feel being the Chief Executive of a major cellular company in another country? What's the secret of your success?**

— I am very proud of the accomplishments our team has made during the last three years and I feel a pleasant excitement when I think about the future, about what we can do to improve our work in all aspects of operation. All corporate cultures in which I have lived and worked from the moment I started my career until now coincide with my personal governance philosophy. This is a very serious foundation for success, it drives the company forward continuously. Relying on an efficient and transparent corporate governance system, as well as hiring people who easily adjust to life and work in such regime daily verifying their qualification with the challenges of new tasks – this is the secret of my success.

— **What is important for you in your profession?**

— Of course, brilliant career means a lot, but a man is remembered for his humanity and personal values. Maybe the work we do is not the one we would like to do in an ideal situation, but even this work must be done eagerly. This is what I call professionalism. I believe that the head of the company acts as a conductor of an orchestra that consists of a large number of specialists with different capacities and talents. It can be compared with playing different musical instruments. If the conductor is able to ensure great synchronized “performance” of different specialists, then the result will be undoubtedly achieved. This is what a large organization needs! But human factor also matters for business. Otherwise, the company would be dominated by active cynics whose personal qualities and values leave much to be desired. At the end of the day, this will lead to a total fail. All we achieve in life “on paper” – our diplomas, notes, certificates and languages we speak – undoubtedly help us achieve a certain level.

But in order to move forward we need certain personal qualities for which we will be remembered.

“Danger” of working with me lies in emotional links created by me. Among other things that help me manage a team of most worthy people, I would like to highlight two aspects. The first one is that I achieve that a person who works with me develops an emotional link with the company and then cannot leave it so easily. And the second one is that I always follow the “positive discrimination” policy, that is encouragement of active employees.

— **What have you discovered after living in Kazakhstan for several years? What opinion have you made about the country and its citizens?**

— Kazakhstan is an amazing country! A rising star of Central Asia and a leader among the CIS countries. Its bright present and future are connected not only with huge deposits of natural resources, this young country also boasts a clear idea about its development.

Already today, Kazakhstan is among 50 most competitive countries of the world. Kazakhstan is unique not only because of its geographical characteristics but also because of combination of two cultures – Asian and European, intensive life style and active development of entrepreneurship. People who live here are ready and eager to use the latest technologies, including those of mobile communication. People see accessibility of western standards both in everyday life and business, and also in technologies and entertainment. Unfortunately, this also resulted in a very significant disadvantage: currently Almaty can compete with the most expensive cities of the world. But I believe that this is based on a well-known economic law of supply and demand, and in the future this situation will certainly improve.

— **What are your hobbies and interests? What makes you happy?**

— I am very much interested in historical literature. My love of history was cultivated by my father, and I am very grateful to him

because he showed me the path to success. Of course, my curiosity and child's desire for learning also played their role. I also had a serious interest in natural sciences, sociology, geography, politics, literature, poetry and a bit in economy. But most of all I liked and I continue to like reading and interpret history because it is the foundation of everything else. I am even ready to share my thoughts regarding teaching of history. In my opinion, existing teaching methods proposed by the governments of different countries are, alas, unable to raise interest in a young generation for this fascinating subject. Because history is not a set of days, months and years and I think it is no use making students learn the dates by rote. Physics has the following important statement: "Everything in nature is continuous and everything has a past experience". This is also true for history: one cannot erase or miss one link of events only because one doesn't like it in order to try to understand what happened after that. Irrespective of whether you like it or not, it did happen. In order to understand the future, one should thoroughly study the past.

I am also keen on good literature. Apart from Turkish writers and poets, I enjoy reading Louis de Bernieres, Chingiz Aytmatov, Alexander Pushkin, Garcia Lorca, Amin Maalouf.

I am always happy to share my knowledge and to learn something from other people, it often results in long talks with friends at supper. I can also play the flute a little. I am just an amateur and I even don't know how to read notes, but some people say I have a good pitch. Some of my friends give me compliments in this regard, other expect more professional command of the instrument, but in any case I enjoy the process.

— **What does the success teach you?**

— My life lessons are the following: to be a good man is not a job, you cannot put it in your CV. But at the same time, you will be remembered for your human qualities rather than the ability to manage business.

When all risks have been estimated, take an initiative and don't ask for per-

My life lessons are the following: to be a good man is not a job, you cannot put it in your CV. But at the same time, you will be remembered for your human qualities rather than the ability to manage business

mission, ask for mercy. One should work with strong people, people who can teach you something. One should learn something new every day. The more you learn the more you realize how little you actually know.

— **Which character traits have helped you to build your life?**

— I can say in full confidence that I am a lucky man. From my CV, you can see that I studied to be a technical specialist in railway telecommunications. I entered this educational establishment when I was thirteen. Once, when I participated in some project, my boss told me: "You can graduate from a prestigious university, have a diploma cum laude, but if your manager is not strong and farsseeing enough and won't guide you to the path of success, you won't be able to achieve much". In this sense, I was very lucky: I had the opportunity to work with people whose names became legends in Turkish mobile communication industry. I learned a lot from them. One can work all his life unnoticed if he doesn't meet farsseeing and guiding managers on his path. I also think that my insistency and patience, eagerness to learn and openness for everything new, readiness to solve tasks, ability to challenge generally-accepted methods of work as well as human factor helped me achieve everything

I have now. It always helped me that both in personal life and in business I never looked for easy ways!

FOCUS ON CUSTOMER

— **According to the European agency EPSI, Kcell and Activ customers in 2010 showed the growth of satisfaction with the services and loyalty in comparison with the previous year. How did the company achieve this?**

— Three years ago, when I became Kcell CEO, I started from making an internal "revolution" in the company. The purpose of internal changes was our customers, they became the center of the company's universe, our work was driven by one task: to understand the customers better than anyone else, not merely satisfying their needs and necessities but acting proactively. Customer-focused strategy gave significant results. We increased our market position considerably. The subscribers personally felt the changes and modifications we implemented in the company. I am very glad that they vote for our mobile communication not only by way of choice, but also with the assessment they give to our work in different polls. I would like to express my enormous gratitude and thankfulness for such a high esteem. I am glad and proud that Kcell was worthy to be chosen by almost half of Kazakhstani po-

pulation. We will continue improving our business and internal processes for our customer's benefit.

— **Kcell has been selected as an official mobile communication operator for Asian Winter Games. Is the company ready for this upcoming event?**

— For us, this is a matter of professional honour – to provide Asiada guests with the possibility to use all 3G advantages, such as broad-band mobile internet, video call and video conferences. We strive to ensure an adequate communication quality for such a great and significant event for Kazakhstan's prestige. In the process of preparation for it, we deployed the 3G network in Astana and Almaty, and in order to ensure failure-free connection at Asiada sites, we hire additional technical personnel.

Personally, for me the network quality is one of the most important priorities. In our company network quality control system, common for all companies of TeliaSonera group, has been implemented and operates efficiently. It is based on very stringent requirements to such parameters as congestion rate, call drop rate, channel availability, dial-up time and its success, signal quality and steadiness and a number of other parameters. This system and professional responsibility, active involvement of every worker of the company's technical department will help us ensure high quality of mobile communication during Asian Winter Games.

— **In summer 2010, Kcell launched LTE base workstation. What can be**

expected next? How soon will we see the 4th generation network in operation taking into account that the 3rd generation hasn't been implemented yet?

— LTE is a good prospect for Kazakhstani telecommunication market development, and we hope it will be realized soon with our most active participation. Experience regarding successful implementation of LTE base workstation in Astana confirms this.

Kcell is a member of Scandinavian telecommunication holding TeliaSonera. This is the first company in the world that deployed LTE commercial network and develops it in Sweden, Finland, Norway and Denmark. For optimum development of telecommunication market in Kazakhstan, it is important to go through 3G stage and only then to change to the LTE network. 3G will prepare Kazakhstani users for working with the services based on mobile broadband Internet. Only 3G can solve the task of prompt penetration of Internet in the country. Firstly, it means broad accessibility of phones and modems with 3G support. Secondly, it implies accessibility of technical equipment. 3G has been in development for more than 10 years already, that is why global manufacturers can offer it at the price at which investments into network development will be recovered very fast. But this is not the case for LTE. This market needs to develop and to mature. In particular, user's devices – modems and phones – should be accessible for mass market. This problem – unreadiness of the mass market – was the one encountered by 3G technologies in the

beginning of its implementation in Europe 10 years ago. LTE commercial network will appear in the near future, when market of the country is ready for it.

— **What new heights does Kcell plan to achieve in 2011?**

— Kcell's objective is to become the company providing world class services. We are confidently going in this direction improving our pricing policy and service quality on all levels – from subscriber center to dealer network. We continuously control steady high quality of network operation, develop coverage zone extending the network more and more into the rural area. We face a clearly-stated and complicated task that is to provide communication for villages with the population over one thousand persons by 2015. We will focus on 3G network deployment in accordance with our license obligations. Kcell has always been a trendsetter directing the telecommunication market development in Kazakhstan. In 2011, we will continue this good tradition taking to the market new 3G-based services, which not only respond to demand but also form it. For example, we plan to develop universal services when phone can serve as a modem and a replacement for a bank card and electronic door key, all at the same time. TeliaSonera's experience will help us in this. 2011 is also important because all communication in the country will be changed to the official language and we have a lot to do in this respect.

I know one thing for fact: the company should continue to be trend setter in mobile telecommunications, bringing and deploying the latest technology in to the country, make telecommunications affordable and available for every individual, irrespective of geographical location, income or age. I believe that as long as the company follows the legislation, performs effectively and continues to create high value for all stake holders including customers, industry and shareholders (49% belongs to Kazakhtelekom) we remain a successful company in the market. We do what we believe is right for the company and for the stakeholders and the figures of 2010 speak for themselves and confirm our strategy. •

GSM Kazakhstan/Kcell became the official telecom provider for OSCE summit

GSM Kazakhstan/Kcell has attained a status of the official provider of cellular communication services for the OSCE summit, which was held in Astana between December 1 and 2 this year



Within the framework of this collaboration, the provider of cellular communication services GSM Kazakhstan/Kcell provided telecom services to the organizing committee and to the participants and guests of this event that has the utmost importance in the international and political calendar of our country. Besides, the company will provide the OSCE summit with 3G communications services. For this purpose GSM Kazakhstan/Kcell has already deployed a 3G network of 90 base stations in Astana and Almaty

and commenced functional tests in order to assure reliable failure-free operation of the 3G communications services during the summit.

"It is a great honour for us to provide telecommunications services to organizers, participants and guests of this major event in the political life of Kazakhstan. We will make our best efforts in order to assure high-quality voice communication and broad-band mobile Internet to support the summit work", remarked Veisel Aral, CEO of GSM Kazakhstan/Kcell.

New way of communication in Astana and Almaty effective December of current year

A long overdue event took place in November of expiring year – cellular operators obtained the permit for paunch of 3G network. On November 29 Kcell declared its readiness to launch third generation cellular communication during the press conference with the participation of TeliaSonera and GSM Kazakhstan/Kcell top managers



On December 1 Kcell carried out commercial launch of 3G in Astana and Almaty. Kcell became official mobile operator of these two major events in political and international life of Kazakhstan — ASCE Summit and 7th

Winter Asian Games. Being the official partner the Company will provide foreign guests, local participants and visitors of these major events with high quality third generation network. At the beginning 3G network will comprise of 90 base stations,

the number of which will be significantly increased in the nearest future.

"I'm glad to be here in Kazakhstan and present at the events dedicated to launch of third generation networks - 3G. For the past three years both TeliaSonera and Kcell continuously acknowledged their intent and readiness to deploy 3G network and put these services into commercial operation. During our last meeting with President of Kazakhstan Mr. Nursultan Nazarbayev at the Council of Foreign Investors we discussed the issue of vital necessity in 3G technology for the future industrial development and economic wealth of the country. Today we are very happy that Kcell and Ministry of Communication and Information have turned this project into reality for the welfare of Kazakhstani people. We are very proud of launching 3G on the eve of OSCE Summit and Winter Asian Games as the official mobile operator for these two events.

Launch of 3G technology is another major step in the development of the advanced telecommunication market of Kazakhstan," — said Lars Nieberg, President and CEO of TeliaSonera.

Launch of 3G network discovers a new stage in the development of telecommunication industry in Kazakhstan. New communication technology will allow for significant improval of service quality and data exchange services. Company subscribers will benefit a high bit rate mobile access to the Internet. This means that operation with network, e-mail will be quicker and easier. The tariffs for data transfer will be from 2,3 tenge to 11,8 tenge per 1 Mb for subscribers purchased Internet packages. Besides by virtue of 3G subscribers will be able to use absolutely new type of service — a video call. Before January 10, 2011 the cost of video call will be rated at cost of regular voice call in accordance with subscriber tariff plan.

SMS communication with the Vkontakte social network is now open

The Kcell cellular service provider and Russian and CIS major social network Vkontakte announced the launching of a jointly supported service. From now on the users of Vkontakte network who are also subscribers of Kcell, Activ or Vegaline will be able to communicate with their friends from the public network via the conventional SMS-service

This means that all subscribers of Kcell, Activ and Vegaline are now able to not only receive to their mobile phones their updated statuses and personal messages from selected users, but also respond to the messages via SMS. In order to make comments on your friend's status or respond to a personal message you just have to send a response SMS to the received notice. In the case with answers to personal messages it is necessary to add the code

generated by the Vkontakte system in order to avoid errors.

"We are observing a plentiful growth of social network users all over the world, also in Kazakhstan. They help to expand the individuals' social circle and enrich their range of interests, keep in touch with friends and relatives, get recent news from any life spheres. So, we are glad to provide our subscribers who also use the Vkontakte social network with opportunities of receiving messages from their friends and rela-

tives without entering the Internet but being in any place where there is network coverage by GSM Kazakhstan/Kcell. We are sure that the new service will be accepted by the youth with a special enthusiasm", noted Aida Dossayeva, corporate relations manager of GSM Kazakhstan/Kcell.

In order to use the service, a Kcell subscriber, who is also a member of the Vkontakte social network, just needs to specify the number of his mobile phone in his account settings. After that, when

visiting the web-pages of his/her friends or those of other people, the web-site will show under the user's photograph a reference link to "SMS notice settings". The cost of an outgoing SMS for commenting someone's status will be 3 tenge. The cost of an outgoing SMS for replying to a personal message is going to be free until December 1. After the end of the promotion campaign the cost of one SMS sent in response to a personal message will also be 3 tenge.



Tcell

the innovation leader in Central Asia

What are the images your memory evokes about Tajikistan? Snowy peaks of the Pamir soaring up into the deep blue sky. Rich picturesque valleys abundant in pomegranate, apricot and peach trees. Torrid weather that lasts 9 months a year. This is the only country that speaks Persian.

But only few know that Tajikistan is also a country that welcomes and intensively implements the latest technologies. For example, power saving bulbs and ... 3G. Not many people know that Tajikistan is the first post-soviet state where the third generation cellular network has been operating for as many as 8 years, since 2002

Today, Tcell's top managers share their experience regarding implementation of complicated telecommunication projects

— **What are trends of cellular market development in Tajikistan?**

Abdujabbor Kayumov, General Director
JV Somonkom CJSC



— The market of cellular communications in Tajikistan is one of the most competitive markets. Nine (9) providers of mobile communications services are operating here, with the major players including Tcell, Babylon, Beeline and MTS. According to official statistics, the level of the cellular communications penetration in our country makes almost 70 percent. Moreover, the coverage of the populated areas is about 98%, and the geographic coverage is about 68%, which is directly determined by the peculiarities of the terrain in the area: 98% of the country's territory is covered by mountains. Besides, market penetration in the North differs from the penetration level in the South by approximately 10-15 percent with the South being in majority. This difference is predetermined by the population density — in the North the population is around 2 million people, and in the South around 5 million people, and also by the level of the areas' economic development — solvency in the capital is higher than in the North. However, the company holds leading market positions both in the Northern and in the Southern areas of Tajikistan (around 45-50%), and also in terms of revenues and, despite the complex competitive environ-

ment, we manage to maintain our positions. Currently, we are shifting focus towards new trends and directions of the market development, such as additional services and, of course, mobile Internet (as estimated by some analysts, Internet penetration in Tajikistan has reached 10%). Besides, one of the peculiarities of Tajikistan economy is the labor migration: out of seven and a half million people of the country, one to one and a half million people live abroad. Therefore we are observing enhanced demand for international voice traffic and we are developing direct links to major operators in Russia.

— **How do you estimate market of mobile communications in Tajikistan? As growing, stable, steady, young?**

Mamajon Hamidov, Chairman of the Board,
JV Somonkom CJSC (Tcell, North)

— Just like for any cellular communications company, at the Tajik market of mobile communications one can observe very tough competition. Almost every day companies have to adjust their plans, which means that one has always to keep abreast of the market developments. In our country the resource of a company's development through mechanical growth of the subscriber base has been virtually exhausted, therefore one of the most promising ways is to provide additional services based on the latest technologies.

Orif Hashimov, Commercial Director,
Indigo Tajikistan CJSC (Tcell, South)

— Out of 7.5 million people living in Tajikistan, 93% are urban citizen, and 7% are people living in plain areas with flat terrain. Therefore since the Soviet time we in inherited a country with poorly developed infrastructure. Our development pace can be demonstrated by the fact that we have penetrated even into those areas which have no electricity. It was just today that we were discussing about those kishlaks and villages which have no electricity, and we are using alternative power sources to maintain operation of our base stations. In figure terms, by the end of this year we are expecting a 61% penetration of the cellular communications into the country. We have some upside potentials for growth.

Tcell Company is a joint venture of TeliaSonera AB Group and Aga Khan Fund for Economic Development (AKFED). Tcell in Tajikistan is represented by two GSM-operators: Indigo Tajikistan CJSC operating in RRS, Khatlon and GBAO regions, and JV Somoncom CJSC operating in Sogdiisk region, that started their activities in the year 2000



— **As far as we know, your company has applied for LTE. When do you expect to get a response from the regulatory authorities and to what extent is Tcell ready to launch 4G?**

Abdujabbor Kayumov, General Director
JV Somonkom CJSC

— Tajikistan was the first country of the former Soviet Union to launch 3G. As to 4G, I know that in Russia a 4G license was issued to Rostelecom, and there is a network in Uzbekistan. I do not think that telecommunications market of the FSU, except for a few countries including Kazakhstan, is ready for 4G. There is no particular need for this generation of telecommunications. Nevertheless if we take into account the fact how swift was the 3G penetration into our life and how fast it paid back itself, I cannot tell that this need in 4G will be mature in a couple of years. The 4G penetration process, first of all shows the work of the ministry and how this regulatory authority supports the development of the telecommunications sector. Of course, we should agree that this is also the country's PR and image-making that demonstrates our determination and pace towards the future technologies, openness to innovations. We have applied for 4G, and now working hard to find optimal bandwidth. Therefore it is not going to be a big problem to launch tests LTE zones in big metropolitan cities. I know that in July Kcell launched an LTE workstation in Astana this year. Our ministry is quite open, but for the time being it has no clear vision of LTE. This makes the process more complicated and slow and we should wait until they digest the information and formulate their viewpoint.

However the 4G initiative comes from the operators. We are providing our reasons to the Ministry and demonstrate how and to what extent the launch of the new technology will influence the country's development, benefit to the national economy and wellbeing of the people.

Orif Hashimov, sales manager,
Indigo Tajikistan CJSC (Tcell, South)

— Back in 2000 we received a license for 2G and Somoncom started its work in the North of Tajikistan. In August 2002 we

received a license for 3G and not just locally— the network was deployed all across the country expanding vast to all cities and towns, along the road routes and now we are working to expand the network to rural areas within one year. As to 4G, as you know, we have applied for this communications standard and even got a response from the Ministry assuring us that there will be a working committee looking for better bandwidth capacities. We are sure that within the near future we will receive their positive response.

— **Is it now possible to draw any bottom-line and summarize the interim results of the rebranding activities. Any tangible outcome?**

Orif Hashimov, Commercial Director,
Indigo Tajikistan CJSC (Tcell, South)

— It is too early to summarize any results. However, one may say that at the emotional level the nationals have accepted out rebranding properly. The concept itself was very interesting for our subscribers: acceptable symbols, nice colors, which unite us not only as employees of the local company, but also globally as members of the group of TeliaSonera companies. In short, the project could be called successful even at this early phase, and we are more than confident that the results will be beyond our most optimistic expectations.

Abdujabbor Kayumov, General Director
JV Somonkom CJSC

— Rebranding put us before a very difficult choice. The point is that both our brands — Indigo Tajikistan and Indigo Somocom — had been already quite popular in Tajikistan, both holding a 50%+ share of their relevant markets. Additionally, subscribers are accustomed to these names; we even observed some emotional devotion from their side to our brands. Therefore, it has been quite a long time that we have been weighing up all risks, among which there was a high probability of subscribers' outflow. When the decision was made we approached the rebranding process with account of peculiar features of each separate region. Summarizing the results, today we can confidently assert that the rebranding of Tcell was a success. The best speaking are our key performance indicators: we

We really can be closer to our subscribers, because better than anyone else we understand the differences in mentality of communities living in the two geographic zones of Tajikistan

have retained the market share, preserved our revenues. Subscribers' perception has also changed: in their mind we remain a national company and attained some global features through becoming a member of the big TeliaSonera family. At the entrance into our headquarters we have a map showing us as Tcell within the framework of our country, and that we are widely spread both in the North and in the South. Now we are focused on improving the quality of our service for our clients and expanding our product ranges. Thanks to this rebranding we have managed to get rid of many weak points which we had before. The brand-strengthening work of course should be done on a continuous basis. Therefore in 2010 and during the next year we will be focused on promoting five major values with special accent on the social responsibility.

With the brand renewal, with the new team, and with the new strategic vision the company also changes. The peculiar feature of Tcell is that our work is based on two different subdivisions, which essentially are two different legal entities and which geographically are situated in different areas — in the North and in the South of Tajikistan. The synergetic effect enables our vision of the situation at the market and the prospects of our business development from two perspectives. Therefore we really can be closer to our subscribers, because better than anyone else we understand the differences in mentality of communities living in the two geographic zones of Tajikistan. We must take into account these differences and select special approach to every market, by adjusting even the conditions of similar

pricing plans for these zones. This is not an easy task, however such differentiated approach to the clients will help us retain our subscriber base and assure loyalty of our clients.

— **Being a member of the TeliaSonera family, our company is committed to become a company rendering services of international level. What steps do you take to achieve it?**

Orif Hashimov, Commercial Director,
Indigo Tajikistan CJSC (Tcell, South)

— A year ago we established our CR department and appointed a very sound and consistent director to manage this department. Besides, the entire working team of the company feels their responsibility for providing high-level services to our clients. We are not reinventing the wheel, but use the experience of all "sister" companies. I would like to emphasize that in Tajikistan Tcell is one of a few companies which develop own service centers for subscribers. We have already opened regional branches in 32 rayon areas and this number is going to grow further. In Dushanbe alone there are 8 operating service centers for clients, and we are planning to have another 2 or 3 of such centers. We have outsourced outsiders to manage the client service at the regional level. Besides, we have launched a few programs to return and keep our former subscribers. Of course, we still have a lot to do, but we are sure that we will manage to do it, because we receive a full assistance from TeliaSonera and also from our colleagues operating in Eurasia. •

Pomegranates and 3G, or Fabulous Tajikistan

Saken Nigmashev

DESPITE ALL RUMORS, news and my friends' reactions like, "Oh Gosh, why should you go there?!", I did go to Tajikistan. I took a Somon Air flight from Almaty to Dushanbe. The airline itself, their service, smiley stewardesses and the airplane itself had a good impression on me and left only positive emotions. On arrival I did not experience any problems with frontier and customs checks: no one forced me to have my photo equipment declared at the customs

and nobody searched me to check whether I had got any currencies with me. After passing through the customs I was amazed not to find a cluttering crowd of competing taxi drivers at the airport exit. The airport turned out to be just within a 10 min drive from the town.

The so called Chilya reigned outdoors. They call it Chilya when as early as 11 a.m. the air temperature rises up to +40, and at night

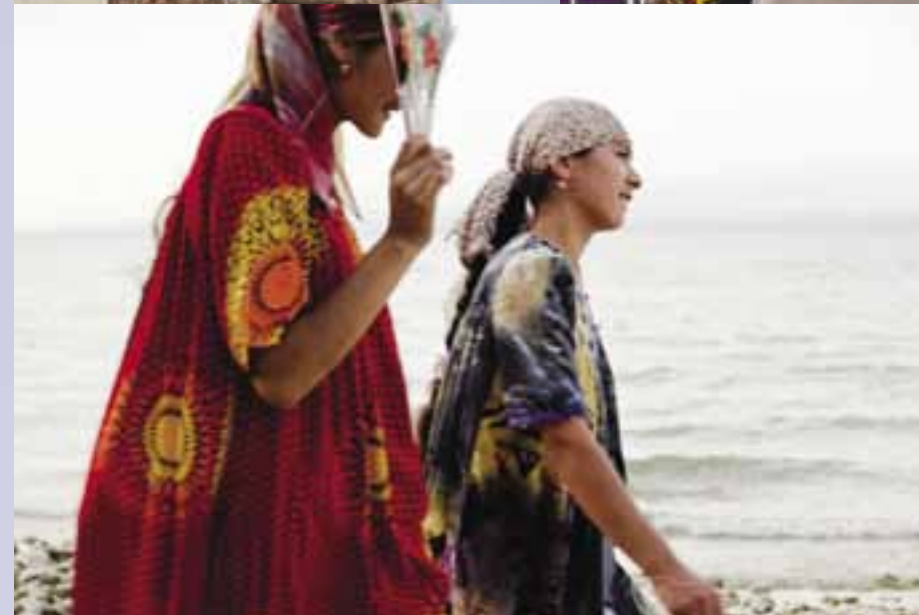


it simply doesn't go below +30. Having checked in, I put on my cap, grabbed my camera and went sightseeing Dushanbe.

It is worth noting that the city has lots of libraries, just very many. And of course I roamed into the Shokhmansur bazaar, a very flamboyant place. Racy of the soil! Many people tried to cover their faces as soon as I targeted my camera on them, therefore I had to avoid close-up snapshots. Abundant fruits and souvenirs. Although the prices were moderate, I followed the oriental tradition and used every opportunity to bargain them down, thus winning the sellers' smiles and respect to me.

Strolling along one of the small streets I saw a shop-sign of Tcell and decided to drop in to learn more of the local provider of cellular communication services. And here is what I am going to tell you: in Tajikistan cellular communication is at high level. They have 3G! Therefore their Internet flies fast. I believe that slogan of Tajikistan's cellular communications should sound like this: "Find us everywhere, even where the electricity does not exist". And this is true. About 93% of the country's area is covered with mountains. Though the power supply lines do not cover the whole territory, the cellular connection finds your mobile phone everywhere. You can read news, add notes to your blog, surf through public networks or watch video on-line sitting near the bonfire in the mountains.

That evening I went to try the local cuisine. Shish-kebab, fresh vegetables and fruit, pomegranate juice complemented by live music, Pamire dancing and picturesque town views. By the way, the



most popular shish-kebab in Tajikistane is made of beef. As I was explained later, the one made of lamb is less frequent order, since it raises your blood pressure.

On the following day I headed to the North of the country where Tajikistan borders on Uzbekistan and Kyrgyzstan to the city of Khojend (former Leninabad). It is the town where one can find the biggest monument of Lenin installed in Central Asia just before the collapse of the Soviet Union. In vicinity of Khojend there is a ditto model of Peterhof – a kind of “Peterhof in miniature”. On the following day I found a driver to bring me to Kairakuum or the Tajik sea.

The way to the sea was absolutely remarkable. I saw huge peach orchards and first time in my life - pomegranate orchards in full bloom. We took a strange path to the “sea” with the route being known to the driver alone and eventually and occasionally found ourselves in Kyrgyzstan. To be more exact, one side of the road belonged to Tajikistan, and across the road we saw casinos of Kyrgyzstan. Just like in Kazakhstan, casinos are prohibited in Tajikistan. So, the gamblers just have to cross the street in order

to try their luck. We came past a hill, behind which there was a notorious Kyrgyz town of Osh. The driver took a sudden turn the left and we finally got to the impoundment. Kairakuum in reality turned out to be a huge impoundment. The water was warm, with not many people, with men and women swimming in different places, quite remote from each other. We returned to Khojend, and there I was treated with a local melon. It was served together with scones and green tea and the melon appeared to be the sweetest and tastiest one I had ever eaten in my life. Antonov An-24 turboprop plane brought me back to Dushanbe. It was interesting and unusual for me to see the pilot greeting every passenger individually and be the last one to come aboard.

All people I met during my trip were very hospitable and they were quite sincere showing their interest to me. These were common people of Tajikistan who, as I thought, were simply happy to be living there and then. They are not bothered by the falls in the Dow Jones index or dynamics of oil prices, just live their lives, bring up their kids and take care of the elderly people. They are happy. ●

Nokia announces the official launch of Ovi cards with free-of-charge navigation in Kazakhstan

At the end of November Nokia announced the official launch of local Ovi cards with free-of-charge navigation in Kazakhstan during the press briefing



TECHNOLOGIES

“It’s common for everyone that Nokia regularly presents new models of the devices, and today we are glad to offer Nokia users a service — Ovi cards, which are now available in Kazakhstan, — said Karel Golub, General Manager of Nokia in South CIS countries, at the beginning of the briefing; — Asiada support is an excellent opportunity to demonstrate to a large number of sport fans in Kazakhstan

the advantages of Ovi services, which are more and more demanded here, and the first step in this direction is the provision of navigation for the VII Winter Asian Games facilities”.

Pavel Kozlov — representative of cartographic company Navteq, which is a part of Nokia Company, told how the information for Ovi cards is gathered. By virtue of multi-level cartography of Ovi

With a compass through Asian Winter Games

In November of the expiring year Nokia was honored to be an official partner in the 7th Asian Winter Games 2011. As a part of this collaboration Nokia announced launches of locality-specific Ovi maps with charge-free navigation in Kazakhstan

This is the first high-scale project of this type implemented by Nokia in Kazakhstan. Local Ovi maps will be closely integrated with the free navigation and location of all Asian Winter Games venues both in Almaty and in Astana, where

owners of Nokia mobile phones will be able to easily simulate a route between arenas, either choosing a hike route or a car driving route. Along with that, Ovi maps will provide Facebook users with the possibilities of sharing the current location,



cards, the accuracy between cards and reality is max 2–3 meters — the preciseness of GPS signal. The navigation peculiarity is that they are interactive. Each settlement changes when the time goes by — new constructions, social and cultural facilities appear, that’s why ‘map reporter’ function is provided, i.e. any Nokia navigation user may report the discrepancies with the map, appearance of new facility, new road.

Personal and mobile navigation, pedestrian navigation functions, satellite images and positioning opportunity using the built-in compass will allow Ovi card users to position their current location regardless of time and weather conditions. Pedestrian navigation will walk you from the initial point to the desired location with step-by-step visual guidance. Information on surrounding buildings, streets and parks can be obtained for the most precise positioning of the location. Ovi cards give all users the opportunity to be oriented in new area as a local citizen. Besides, one can make a photo, using the “positioning” function, and upload it to social network as Facebook, and the photo will be uploaded in the network with indication of location where the shot was taken.

Car navigation functional will allow to determine the speed and time requiring to

By virtue of multi-level cartography of Ovi cards, the accuracy between cards and reality is max 2–3 meters — the preciseness of GPS signal

get to the destination points on the map, and audio communication will make this process more comfortable.

“Weather” widget, which is part of the application, informs of the current weather conditions at the location point.

We asked Mr. Karel Golub to answer some questions:

— **During today’s briefing you emphasized that Ovi cards are free-of-charge and forever, which is unusual. Everybody got used to the fact that you have to pay for everything... Can you prove your words?**

— If you look at the market it is obvious that you have to pay for any application, including maps. For example, you travel from one country to another and each time you have to purchase a new map. In Nokia we chose a different strategy; we don’t sell

our maps and offer them free-of-charge. Besides we consider the maps as an integral part of the solution — “device plus service”.

— **Currently we have a new product N8 at the market, and announcing emerge of Nokia E7. Geographically Kazakhstan borders China, the king of pirate products, how do you handle the fakes?**

— We closely cooperate with state authorities of Kazakhstan that implement very strict and even severe rules aimed at the handling of pirate products. We assume that some fakes do still appear at the market, and we work on this issue. Our company constantly informs the product users and distributors of false signs. Of course this is a big issue not only for our company. On the other hand the fact of Chinese fakes is not pleasant, however some sort of an indicator of the brand popularity. ●

help them take pictures and download them onto their personal sites and blogs through Nokia device. Also for owners of some Nokia smartphones the company has designed a software application called Asiada, with the help of which one can quickly follow the time-table of the competitions and receive on-line info about the results of the already held competitions. The major merit of the software application will be its handy interface available in three languages: Kazakh, Russian and English.

The Vice President of the Executive Directorate of the Administration of the Organizing Committee for the 7th Winter Asian Games **Yevgeny Nikitinski** stated that the selection of Nokia to be a partner of Asian Winter games was first of all determined by the prominent image of the company at the global and Kazakhstan markets. Another important criterion which influenced our choice was the recent innovations launched by Nokia in the field of navigation maps. According to Mr. Nikitinski, this development will serve

in their best way not only to spectators but also to various servicing divisions of the Asian Winter Games administration which are going to be involved into the process at the competitions. Uncovering the details of this collaboration, Yevgeny Nikitinski stated that this service will contribute to holding the Asian Games at a high level, whereas Nokia will get a good chance to promote and advertize its products and new designs aiming at further penetration into the Kazakhstani market. ●

81% of the populated territory in the Republic of Kazakhstan has been covered with Kcell telecommunications services

40 CSR projects are annually implemented by Kcell

312 partner operators in the international roaming services across 145 countries

116 partner operators in the on-line roaming services for Activ subscribers across 75 countries

\$6 mln has been invested by Kcell into social projects over the past 5 years

Kcell

i n f i g u r e s

40,000 people have been directly or indirectly employed and provided with jobs by Kcell

More than \$1,5 billion has been invested by Kcell into development of the telecommunications infrastructure in Kazakhstan over the last 11 years.

About \$100,000 is annually funded by Kcell and Activ subscribers for surgical operations and treatment of Kazakhstani kids abroad as a part of the charitable contribution called "Save the Children's Life"

2007 year Kcell joined the global UN treaty that established international standards of Corporate Social Responsibility

100 % of RK settlements with population of more than 5,000 people covered by Kcell network



Бұрынғыдан
әлдеқайда жақын
Ближе, чем
когда-либо

As analysts suppose, in our country WiMAX technology (Worldwide Interoperability for Microwave Access, high-speed broadband wireless communication) will play one of the leading roles in the arrangement of the Last Mile Access to the World Wide Web. The advantages of WiMAX are high data transfer rate from the base station to a subscriber up to 2 Mbit/sec within coverage area that afford to hold videoconferences, watch on-line broadcasts in portable mode, work in Internet without problems to open web-pages, transfer and download files of big size. Aside from that, specialists are convinced that in the context of development peculiarities of telecommunication in Kazakhstan the said technology will also contribute to competitive expansion in the Internet access market among individuals and entities of small and medium-sized businesses

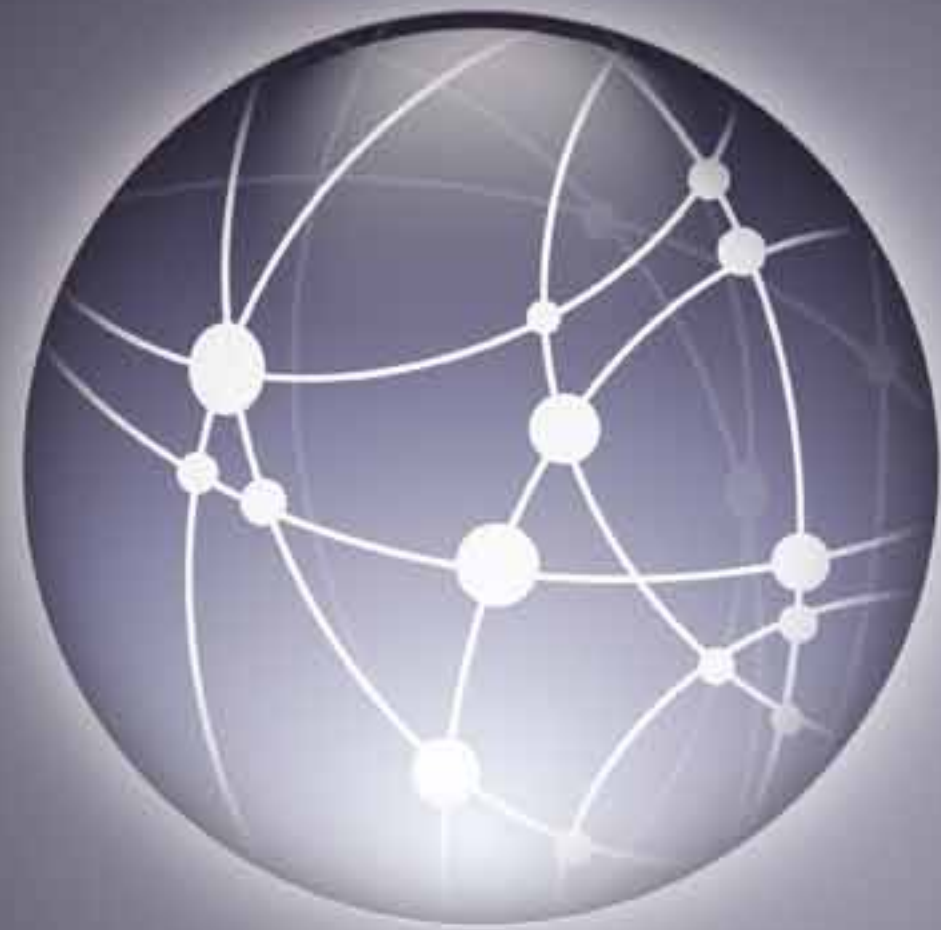
Svetlana Shesterneva

WiMAX

is the alternative
to broadband access

N

owadays the most active players in the republic are telecommunication companies who expand their range of services by this means; they are Ducat, Alem Technologies, KazTransCom, Aspan telecom, Nursat, AsiaBell and space.kz. According to **Ainur Mukhanbetzhanova**, PR consultant of Arta Software company, the majority of these companies rolled out WiMAX on the experimental basis. "Presently in Astana only Ducat has adequate tariffs and a guaranteed bandwidth for mobile



Kcell will supply WiMAX services in Atyrau under the brand of Kcell Broadband

WiMAX. Nursat offers WiMAX for legal entities, but it is in demand in areas having no engineering capability to provide the last mile by wire.

Director General and Editor-in-Chief of PROFIT Online, **Alexander Vasiliyev** considers that WiMAX is the only real alternative to the wire broadband access today. "Broadband wireless technology allows more freedom to users of the service as well as to a provider itself. The provider is at liberty to establish its own network without the use of wire infrastructure of Kazakhtelecom and investment of vast sums in its own cable network installation. In addition, judging by pricing policy, WiMAX is quite competitive today. Therefore, taking into account the increasing demand for internet access, we may state for certain that the service is in demand," assures Mr. Vasiliyev.

Ainur Mukhanbetzhanova emphasizes that WiMAX service provision is advantageous first of all because the service promotion does not require large-scale works to connect clients or search for connectivity, either approval for wiring from municipal administration or other time-consuming and costly measures. "To have several trunk channels in a city and an adequate CPE pool is enough. Rendering of WiMAX will be even more profitable in case of the anticipated explosive growth of VoIP-traffic among the users of mobile internet," said the representative of Arta Software. However positive grounds are saddened, **Mrs. Mukhanbetzhanova**

added in this context, by the necessity to license the required frequency assembly, but the strongest disincentive to extend WiMAX in the RoK is a conservatism of the main Internet providers and relative market saturation among the primary audience. "As I have said before, the clients interested in low-cost mobile VoIP-traffic can provide the biggest profit to providers, but as far as the most of these providers are also voice communication providers, such an "imbalance" of service consumption may have impact on their returns," she commented.

Currently big cities of Kazakhstan such as Almaty and Astana are covered by more than one WiMAX operator. WiMAX networks appear even in Karaganda (Asiabell), Shymkent (Bitel-Telecom) and Atyrau (Ducat). In the beginning of October GSM Kazakhstan/Kcell company announced about the commercial launch of the broadband mobile internet on the basis of WiMAX technology and held presentation of its options in the oil capital of Kazakhstan. Kcell will supply WiMAX services in Atyrau under the brand of Kcell Broadband. "Specific character of the region predetermines a high demand for broadband mobile Internet in this city. That is why commercial launch of WiMAX in Atyrau is a timely answer to requests and demands of our clients. We are glad that our subscribers can take all the advantages of WiMAX technology now that is high speed mobile Internet and available tariffs. We have analyzed traffic use of

the subscribers and developed a range of tariffs which meet to the limit the needs of our customers. I am sure that our subscribers will be surprised by our special offer — getting a modem as a gift with the connection to any tariff plan of Kcell BROADBAND," commented Nurlan Sargaskayev, Business Development Director of GSM Kazakhstan/Kcell.

The coverage area of WiMAX in Atyrau integrates almost the whole city — dormitory districts and business center — into a unified area of mobile broadband Internet. Subscriber mobility is achieved due to the cellular network buildout, and instantaneous switch of user terminals between base stations allows keeping connection even on the move. In order to connect to Kcell BROADBAND one needs to buy a WiMAX modem, choose a tariff plan and obtain a registration package. You can do all these in Kcell-Center and in all the service centers of Kcell Express in Atyrau. As representatives of GSM Kazakhstan/Kcell noticed, advanced options to manage information flows of an enterprise will arouse interest in WiMAX of corporate clients. Owing to this technology Internet access can be easily "transferred" to any other office of the company whereas the offices can be integrated into a unified mobile network. And service quality management system, installed in the mobile WiMAX, affords to set priority by the user group as well as by the type of employed services.

At the moment the company is finishing works of WiMAX network roll-out in Astana so that guests and residents of Astana may get access to and estimate advantages of the broadband wireless mobile access to Internet by the beginning of Asian Winter Games 2011.

By analysts, next year Ducat will display the highest performance by using its experience of WiMAX networks introduction in many cities. Meanwhile neither carriers and internet operators nor the state has shown any intention to cover all the territory of Kazakhstan with WiMAX networks, thus the most of the rollout cost will be absorbed by the first clients of WiMAX. ●

ANALYTIC

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The 7th Asian Winter Games: full readiness!»



In January 2011, Kazakhstan hosts the 7th Winter Asian Games. This is not just an honor, but also is a prestige for us. What will our country gain from communion with the Asian sports history? Will these Games become just the first one in a chain of future sports events, which will be hosted by Astana and Almaty more than once? Are we ready for hosting the guests? Mr. A. K. Kulnazarov, President of the 7th Winter Asian Games Executive Board answers these and other questions by VOX.com

— Mr. Kulnazarov, how many guests will Almaty and Astana host during the Asian Winter Games?

— According to the system of accommodation of participants and guests of the 7th Winter Olympic Games 2011 in Astana and Almaty, all arriving participants and guests are divided into 4 categories: OCA family (Olympic Council of Asia), VIP-guests and officials — 224 persons, international and national judges — nearly 500 persons, and in total nearly 3,000 accredited participants have been registered so far.

In addition, we anticipate an inflow of fans and tourists; though we cannot tell their exact number. Our guests will visit concert halls, theaters and movie theaters, entertainment centers.

— How many sports facilities will be commissioned for the White Asian Games?

— 10 sports centers in two cities will be involved in the Asian

Games. Four of them are under reconstruction, these are: B. Sholak Sports and Culture Palace in Almaty for holding the women's ice hockey competition; Kazakhstan Sports Palace in Astana, in front of which an ice rink is being constructed for the men's ice hockey competition; and two highland sports resorts — Medeo — for bandy competitions and Shymbulak — for alpine and freestyle skiing competitions are under reconstruction.

Indoor skating stadium in Astana for skating competitions, International Ski-jump Complex in Almaty for ski-jumping competitions at K-95 and K-125 ski-jumps, Biathlon and cross-country skiing stadium in Almaty Region for biathlon, cross-country skiing and ski-orienting are under construction specifically in preparation for the Asian Games. National Cycling Track being built in Astana will be launched for the Asian Games. Short track speed skating and figure skating competitions are planned to be conducted at this facility. Already existing two facilities — Astana-Arena indoor football stadium will host the

Asian Games Opening Ceremony and freestyle competitions will be held at the Tabagan Sports Complex.

— It is known, that investing in organization and hosting the Olympics is usually successful, will this experience be applied in Kazakhstan?

— It is hard to say right away, whether costs of the Asian Games will be recovered. On the one hand, they will be recovered due to the tourist flow; however, we cannot yet tell definitely how many tourists will arrive — it depends on how successfully the Asian Games are promoted. All facilities, which are under construction in preparation for the Asian Games, would emerge in any case, with the Asian Games or without it. For instance, the Shymbulak Ski Resort is currently under reconstruction. So far \$105 million of the Kazkom loan has been utilized there. Additional \$100 million credit line has been opened for this facility by the Kazakhstan Development Bank at the President's order. Slopes, which are the most interesting part of the resort for us organisation as the in charge of the Asian Winter Games, are already prepared. Remaining infrastructure is intended for Shymbulak's development as a resort area.

All complexes would be built in the country, and the Asian Games have just promoted their concurrent construction. After the Asian Games, we anticipate that they will be in the same demand as during the competitions. The complexes will receive athletes from various countries for training, of course, for certain

Revenues from the Asian Games will be directed to further development of sports, namely, construction of sports infrastructure in the country's regions

fee. Therefore, profitability of these facilities is guaranteed. In addition, our athletes' training sessions abroad are very costly for the country. Now, to the contrary, athletes from other countries may visit Kazakhstan and hold training sessions here.

Revenues from the Asian Games will be directed to further development of sports, namely, construction of sports infrastructure in the country's regions.

— How will the torch relay go? Who will be the torch-bearer?

— On January 11, fire of our Torch Relay will be born at the solemn ceremony in Kuwait, where the Olympic Council of Asia Directorate is located. On January 12, the Fire will be delivered to Almaty, Kazakhstan. The torch relay will pass the streets of the Southern capital, and then will go to regions. The Fire will travel to Kazakhstan's regional centers for 20 days. During the travel, the Fire will be followed by the crew with mobile TV-studio, which

will air the stories to one of central TV channels. On January 30, the torch relay will finish in Astana at Astana-Arena Stadium at the culmination of the Asian Games Opening Ceremony.

The torch relay, subject to due organization, will become the most powerful engine in development of sports, especially, children's sports. Therefore, age limits will be reduced (traditionally — age of 16) in requirements to torch-bearers, so that children with sports talents are the major participants of the torch relay. It is planned to elect 1,020 torch-bearers. Like at the Kazakhstan stage of the Beijing-2008 Olympic Fire relay, torch-bearers of the 2011 Asian Games will be selected on a competitive basis. Main criterion is an active stand of sports and life, commitment to the Olympic ideas.

— What is the “zest” of our Asian Games, how will it differ from the previous one?

— Our Asian Games will be innovative not only in terms of their hosting in two cities, but also unprecedented by its sports program. Until today organizers of similar competitions have varied within already proven, traditional and Olympic winter sports by adding or reducing, say, the number of distances in skating or short-track skating. But Kazakhstan has proposed at once to include two new sport categories — ski-orienting and bandy.

In addition, for the first time in the Asian games history, organization of the Cultural Asian Games, which are aimed at demonstrating the rich historical and cultural heritage of Asia and Kazakhstan's original culture, is planned. Various festivals will be organized in two cities simultaneously with a special range, and among them are the Ice Sculptures Festival, “Voice of Astana” Music and Dance Festival, Circus Arts Festival, arts exhibition, photo exhibition, “Kazak Auyly” Festival of Kazakh Nation's Traditions and Customs, fair of sports goods and souvenirs, drawing and essay competition, “Snow Leopard Park, “The Great Silk Road” Fair, Festival of Asian Cultures, Almaty — Kazakhstan's Cultural Capital, Festival of Asian Cultures, many others.

— As a rule, unique shows are prepared for the opening ceremonies of this sort of events. So how are we getting on this?

— Direction of the opening ceremony is entrusted to the international production group headed by Igor Krutoy, People's Artist of Russia, where the Russians, English and Australians are working. Aleksey Sechenov, who is known for working on Muz-TV Channel Award Ceremonies, will be chief director of the ceremonies. Due to efforts of the Astana City Akimat, Igor Krutoy's production team agreed in principle that Kazakshtani specialists would work with them. I would not reveal the secret on the details of the opening and closing ceremonies of the Games. But this will become a grand show built on Kazakhstan's national motives and history. ●

Today,

the Person column presents Yelena Khrustaleva, a silver medal Vancouver Olympian who shares with the reader her plans regarding the Asian Winter Games in Kazakhstan and the Sochi Winter Olympics.

The Better is Always the Better

“Sport is just a regular work! One can be a clerk another one can win an Olympic Medal”

- **Yelena, who was your first coach?**
- My father, Vladimir Fedorovich Khrustalev, and Viktor Ivanovich Yermakov, Russian coaches from Krasnoyarsk.
- **It is probably hard to be trained by your father?**
- There are some advantages as well as disadvantages. As a father, he is interested in my health maintenance however the majority of coaches look only at the results.

- **Is your mother a sportswoman too?**
- She used to play for a students basketball league but she is not a professional sportswoman unlike my father.
- **Did they both insist on your professional engagement in sport?**
- Mom was against it but my father is the head of our family who is convinced that the mother’s business is to feed and bring up the children, whilst the crucial decisions are up to him.
- **Would you wish a sport oriented career for your future children?**
- I would rather not. I’m like my mom in this respect but it is still better for me to take exercises than to spend eight hours a day, five days per week at an office.
- **Kazakhstan did not win medals at the Winter Olympics in Nagano. Is the “crown of the Kazakhstan’s biathlon queen” heavy?**
- Nether thought that the popularity could be so tiresome. Sometimes I have to refuse to give an interview as I have no time for work out, at the same time it is very destructing. Of course I like being in the spotlight but not to such extent.
- **You have spent a major part of your sport career in Russia, are there any differences in the attitude to the sport?**
- The living conditions of sportsmen differ drastically, in Russia, they are much higher. I think this is just because biathlon is not that popular in Kazakhstan. In Russia, biathlon and skiing are the number one sport events. There are lots of “minuses” of the organizational nature. The coaching approach is different. The level of training of the second teams is also very high.
- **How did it happen that you moved to Kazakhstan from such prosperous, in terms of biathlon, country?**
- Having spent some time in Russia, I realized that I would not manage to get into the national team, and the sidetrack is not for me. Moreover, I devoted to the sport so many years that I wanted to try my luck at the Olympics. I looked over at many countries where one can emigrate, counting all pluses and minuses, Kazakhstan turn to have more pluses.
- **So what is the reason for the Olympic silver, what is the secret behind?**
- The secret is that I had no problems with training sessions and the performance itself against the background of a weak team, I felt neither tension no competition. I worked out the way I needed to. This is to say that I managed to turn minuses as lack of trails and coaching school into pluses.
- **Where do you work out?**
- Where it is possible – along roads, in the fields, forests, in Medeo

area, down Navoi street, in the mountings, within the city; just stand up and run.

- **Each sportsman has a target of his own, what is your highest sport target?**
- Difficult to say. Surely any sportsman is dreaming of an Olympic medal. Now, I have the Olympic silver and will be training myself for the Sochi games having the same goal as at the previous Olympics – “The better is always the better!”
- **Any plans for the Asian Winter Games?**
- Well, I have more specific goal, this is the first place or the second one, as a minimum.
- **Is sport a good business?**
- Here, one can gain only through sponsorship. Since the sport is not quite well developed in Kazakhstan it is very difficult to attract sponsors. In addition it depends of a sport event. If you compare biathlon and football, my salary as of an Olympic winner is just the same as of a Kazakhstan team player. This is taking into consideration that the team did not participate at the World Cup. Generally speaking sport is just a regular work as a work of an office manager, engineer etc. Either you are in demand and successive or you play as an ordinary clerk.
- **What kind of qualities a professional sportsman should possess?**
- There should be a character, probably a genetic one, however sport tempers and improves moral virtues... And some luck as an external force.
- **All these factors got together at the Olympic games?**
- Yes, they all got together – my luckiness, good shape, weaker competitors, my calm. The next Olympics will be harder to cope with because there will be certain expectations and responsibilities. This can cause a psychological pressure.
- **Do you have any fear?**
- I would say I feel some excitement. I perceive it as a test of myself, will I cope with all these feelings “will I have enough will power and character or not?”
- **Do you have an idol in the sport who you would like to be alike as a sportswoman and a human being?**
- I never had any idols even being a teenager. I just try to follow the best qualities of the others.
- **What is your attitude to drugs? In average doping scandals happen every two – three weeks in the entire world...**
- This is the right of each and any person to take or not to take drugs. I’m personally against it therefore I never used and I was never offered to take any drugs. In Russia, to participate in this program, you should be a member of the national team as minimum. These substances are very expensive to buy yourself and very difficult to obtain. One of the aspects in favor of my choice of Kazakhstan is that the level of biathlon is not the one when one can take doping. ●

Agents or stewards?

My practice as a consultant and teacher of management proved the existence of a problem of ranking of priorities between the personal interest of a manager and the interest of a company. There are two different approaches in the theory of management: the first one is the Anglo-American "Agency Theory" where the

interests of an individual come first; the second one is the "Stewardship Theory" which considers the interests of a company to be the priority. This is a brief statement of the problem. But what are the main point, advantages, and disadvantages of these theories?

The Agency Theory

The agency relations appear when there are two sides: shareholders and founders and an agent or a manager. But at the same time a manager is neither the owner nor the founder of the organization — he is just an employee. Shareholders and founders delegate him the right to make financial and investment decisions. In this case a manager is supposed to act for the benefit of shareholders as much as practical. But in actual practice business owners face the fact that agents put their interests above the interests of the company. This means only one scenario for the business owners — growing costs of the external audit as well as of creation of the internal audit system and internal security, introduction of independent directors into the Board of Directors, etc. This would result in rather complicated relations between the owners and the managers. Such relations may be generally classified into several types:

- Work at half-strength. Managers make less effort than business owners expect them to do.
- The choice of low investment horizon. Managers prefer short-term projects which increase their own welfare, while the long-term projects which increase the welfare of the shareholders are pushed to the sidelines or are not even taken into consideration at all.
- Various degrees of risk taking. The welfare of managers directly depends on preservation of their positions; this is why managers are more cautious in accepting risky projects.
- Ineffective use of the assets. Managers are interested in exercising control over free cash flows and prefer not to pay them out to the owners but to spend them on the ineffective

investment projects or increase of the organizational inefficiency (the bubble staff, etc.).

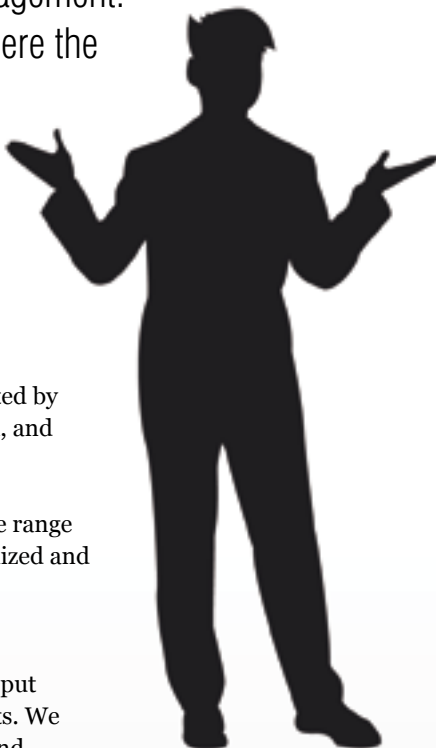
- Private privileges. Managers seek privileges presented by personal autos, glamorous offices, business tourism, and other luxuries at the expense of the organization.

The Agency Approach is frequently seen in the companies where the ownership is allocated to a wide range of owners, or the principal shareholder is impersonalized and represented by one more agent.

The Stewardship Theory

The Stewardship Theory presupposes that managers put the interests of the company above their own interests. We may see the examples of such an approach in small and medium businesses. It takes place when a manager steward acknowledges the model or expert power of the owner or shareholder on the rational or emotional level. The expert power appears in case the executor believes that the power holder has special knowledge which helps him in the business development. The model power is a power of example in case the characteristics or qualities of the business owner are so attractive that the manager wants to take his place. In the first case self-actualization, social acknowledgement, and self-respect become the main guiding motifs of a manager. In the second case the manager expects to become one of the co-owners of the company in a long run.

In case a company is operated according to the Stewardship Theory, the financial expenses on the control over the manager's activity just cease to be necessary,



for his actions deserve confidence. The attitude of both the owner of a company and the manager towards long-term and perhaps more risky, but at the same time profitable projects coincide. The whole administrative work of a company and the expenditure on its maintenance are built on the principle of efficiency. Such a manager is characterized by a high commitment to the company values. By the increase of the level of risk and uncertainty, for example, when the company undertakes a new project, the steward exerts every effort for a detailed study of the situation and proper allocation of authority, as opposed to the agent who tries to enhance control and supervision.

If we ask any business owner the following question, "Which type of managers do you find more attractive?", the answer will be obvious. Of course, the stewards. But where are such managers to be found? We offer some simple advice.

First of all, the owner should have clear long-term goals which support the vision of the company.

Managers should be chosen not only based on their professional qualities, but also on their readiness to accept the key values of the organization and its corporate culture.

You should also draw up for yourself a list of personal qualities and psychological characteristics unacceptable for a manager, firstly, and secondly, for you personally.

We also advise to create a motivation system for top-managers which would be based on an internal reward and motivation factors of the high level.

You may promote the managerial style based on the "model power" and "expert power", being at the same time this "model and expert". Support the striving for learning and,

of course, be ready morally for your managers' possible mistakes.

Despite the obvious interest of the owner in the "steward" mode of behaviour, the owner himself is often a representative of the Agency Theory strange though it may seem. In my practice I have often met the officials of state bodies who operate their own business at the same time. Having accustomed to the "agent" mode of behaviour, they model their business on the strict control, in such a way reconstructing the Agency approach typical for state enterprises. In other words, in order to demand the behaviour of a steward from managers, a business owner should himself follow this mode of behaviour and become a steward.

If you made up your mind to reconstruct your business according to the Stewardship Theory, you should have a clear vision for the company and its mission. And the mission in its turn should clearly express the strategic goal, key values, and purport of existence of the company, as well as the role which the enterprise would prefer to play in the society. The income and profit will not rank first in this system. If the money is a priority for the owner, he will mainly operate in terms of the economic categories for the motivation of managers and will not be able to pass this limit.

I have to notify you in advance: establishment of such a system would require much time and effort. Your business or, rather, its reconstruction is a long-term project which is to yield immense profit not only in its material but also in its moral aspect. •



THOUGHT ALOUD

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Time is the greatest innovator

Francis Bacon. Artist

My HTC communicator links me with the Motherland, with people I love...
 Artist is often isolated from the world. Due to his nature, he is solitary and leads a secluded life...
 This is a necessity: either pleasures or revelations.
 It is some kind of payment for the joy of creation.
 Some kind of artistic asceticism.
 But my small wizard – my pocket communicator – makes the lot of recluse in a big city easier.
 I caress it in my pocket on a cold evening, trying to catch WiFi, type mail text with typos, watch videos, communicate with my friends in social networks.
 It must look funny how a man, of advanced years, seriously focuses on a small screen moving his fingers, and then bursts into laughter with no apparent reason.
 Artist draws the energy he needs to create from all pockets of being. Internet is no exception, it is also a pocket.
 Of course, mobile Internet cannot replace human society, just as brushes, paints, easel and palette are only inanimate accessories, tools. But connection provided by mobile Internet on my palm inspires me and gives me new ideas.
 Internet means contact with the humanity. But everyday bustle alienating talent from absolute wisdoms catastrophically disturbs an artist and a poet.
 A compromise is needed, a combination of the opposites: interactivity (mutual free flow of information) and reclusion.
 Thus, solitude and possession of information, these two notions, sometimes mutually exclusive, are ensured by the Mobile Internet.
 I would dare to say that this is the path that leads the Painter and the Mystic of the 21st century to Revelation.
 I strongly believe that the Internet and computer were invented by aliens and shared by them with the humanity in exchange for silence.

**INTERVIEW**

A modern fairy-tale story or a story of how **sms Flirt grew into LOVE**

This is a story about a young successful family. People say happy families are all alike. But their acquaintance happened quite unusually, with the help of Flirt SMS service of Kcell.



When I was going to meet with Arman and Albina, I thought: nonsense, it cannot be true, well, OK, it can be, but they are most likely to be from the same circle of acquaintances as often happens, “Graduated from KazNU? D’you know such-and-such guy? You do! So he is my classmate!!! But do you know this girl? She’s my cousin!” People will certainly find things in common, similar circle of contacts, common acquaintances that makes a beginning of romantic affairs. This time it is completely different. Don’t want to be ahead of time, they will tell their story themselves



— **How did you get acquainted?**

Arman — I drove to pay for Kcell services to the Samal office in Almaty, I took by chance a booklet with the ad of a new Flirt SMS service. I dialed casually, registered, the first message I had was from Albina. Got acquainted then passed to phone calls.

Albina — Arman touched my heart at once, I liked his laugh so much that I could talk on the phone with him all day long. Though I had never met him before.

Arman: A very interesting fact is that Albina lived in Karaganda, and I lived in Almaty, and before that she had nothing to do with Almaty.

Albina — I’ll explain how we discovered that fact. I was recommended to subscribe for Flirt SMS by a friend. It was autumn 2002, the service was added on a trial basis and for free, but only in Almaty. Of course, advertising was only in Almaty. That’s why all the acquaintances from SMS-chat for sure were locals. I asked Arman during the conversation, not the first one, “Where’re you?”, and he answered that he was in the city, asked him to be more specific, he mentioned something like Auezov and Abay streets. And I understood he was from Almaty.

— **What do you think of your meeting and marriage – fate, miracle, set of circumstances?**

Both — Fate!

Arman — Albina’s message arrived to me first; it was a sign of fate.

Albina — Initially only five people could participate in the chat of acquaintances. By this time Arman had not registered yet whereas I had all the five participants in the chat room. So my data also could not be sent to somebody else. Once one of my acquaintances left the chat room, and I received Arman’s data straight away. So, if that acquaintance had not left the chat, they would not have sent Arman to me. Also from candidates we received their names, age and horoscope signs, so at first we did not know we were from different cities. After we found out that, we went on communicating attracted by each other.

The record of our family counts a lot of such coincidences.

When we decided to exchange photos, I could not find a suitable one, you know as it happens with girls – always there’s something wrong – either hair style or shooting angle, etc. As a result I made a picture I liked. One year ago when I sorted out the photos I found out that the photo was dated from the 29th of August. You must remember, before snapshot cameras set date of shooting, so the 29th of August, a year after that picture was taken, we got married! And it was discovered casually, seven years after we first met!

Arman — And we met on the 19th of

October, this day two years later we had our first-born!

How did your first date go? No disappointment?

Arman — After our phone acquaintance I made a trip to Karaganda to meet her in real life. That’s a trip: two children – boys.

Albina — First time he arrived without notice. And we liked each other at first sight. I remember I was on my way home from the university when he called, but frankly speaking, I guessed it instinctively because his mobile was out of reach for one day. He asked, “Where’re you?” I answered, “I’m going home.” — “Where exactly are you right now?” I thought it made no difference for him – he did not know the city, but mentioned some place... He replied, “There is some kind of café here, come over, I am waiting for you.” Of course, I was in a flap – what do I look like?! My friend encouraged me, “It won’t be worse anyway, besides we have spent so much time on the phone”. That day we spent several hours together. I have strict parents. We met next day, had a walk and Arman left that night.

When did you meet next time?

Albina — That time I arrived with my Mom. Mom had a guest from Almaty, her close friend who became my ally. I could not tell my mother about my boyfriend from Almaty, so I decided to act by my aunt. I explained everything to her, told about my boyfriend and the need to arrange a trip to Almaty. Everything went well: the aunt’s daughter just gave birth to a child, and this made a good chance for a visit. We spent together day-time, and at night I ran back home.

I remember, in spring 2003 one distant cousin in Russia was going to get married. Mom wanted us to go there by all means whereas I convinced her to come here. My Granny came to my support speaking to my Mom with finality, “What Russia are you talking about? No way! Your daughter’s fate hangs in the balance. Go to Almaty of course!” Then in summer Arman came and asked my hand, this was our fifth meeting face-to-face.

How did you communicate all this time?

Albina — By telephone and post. Internet was not that widespread eight years ago. Nowadays everybody may have several computers in their apartment, but in 2002 the network was mainly in the offices. The

first photos were also sent by post as we needed to see each other somehow.

And you, Arman, how did you make a proposal?

Arman — I was pretty nervous about it because Albina’s father was a strict man. I just came, got into such a fuss that I plainly asked his daughter’s hand. The surprising thing was that he said at once he did not mind.

What characteristics do you appreciate in each other?

Albina — Nobody believed we would date, let alone marriage. Arman was here, I was in Karaganda, and he did not have anybody there as well as I did not have anybody in Almaty. When I told my friends I had a boyfriend, they said, “What kind of a boyfriend is he? –You’re here, he’s there!” The first four years we lived almost separately. I had my job in Karaganda, after this Arman spent some time working in Astana, my pregnancy, return to Karaganda, Arman’s job in Atyrau. So I appreciate Arman because we managed to save our love in spite of the distance, prejudice of our relatives and even friends.

Do you still write romantic SMS to each other?

Arman — Yes, it’s about it...

Albina — As for me, I always write to Arman. But I’m almost poetic whereas Arman usually answers, “yes, me too.”

— **Any family has falling-outs. How do you make peace with each other? Do you have any secret means?**

Albina — Frankly speaking, we cannot be at quarrel for a long time; usually we make

it up during a day. Even if we happen to quarrel, whoever is to be blamed, both of us try to meet half-way. Flirting with each other, nudging, joking. I don’t get it when people do not talk to each other for weeks or even months, we just cannot live like that.

Are you jealous because of the telephone? For instance, I am shocked to hear that spouses look through the mobiles, SMS, calls and all?

Both — No!!! Never.

Arman — For me it is very unpleasant when I call my friend and suddenly hear his wife answering...

Albina — Even if our close friends call, I never pick up the phone, it is far from being polite.

Do you have a model of an ideal family?

Albina — Every family is happy in its own manner. There isn’t any special pattern.

The first thing we want our sons to acquire is a conception that a family should have love first of all. If there’s love, there will be all the rest: mutual respect, joy and welfare.

Arman — We need to believe in a miracle, as one day we got acquainted by chance, found our love through Flirt SMS. Hope, our children will take cue from us. It’s impossible to teach any lessons of the kind. ●

VOX.COM editorial staff warmly congratulates the Kenzhebaveys on the seventh wedding anniversary!





The Armory

In this edition of VOX.com, "The Time Machine" column will let us travel to the Medieval Europe, the time when the title of a knight was honorable and the ladies' hearts were won at tournaments. We will dip into the Kazakh steppe of the Oguz Khan time. The object of our interest is the armory and the Tamga as means of communication and identification

TIME MACHINE

ARMORY IS OFTEN CALLED the "shorthand of history" and "noble science". The best way to describe it is a propagated system of symbols and colours imprinted on a military medieval shield used for personal identification.

Antic opuses of Homer, Vergil, Pliny and many others witness use of symbolic characters. Historic personalities, tzars and commanders had the emblems of their own. For instance, the helmet of Alexander the Great was ornamented with a hippocampus, helmets of Achilles and Caesar Caracalla — with

By the XIII century, the notion of grandeur (high blood) indurated in the society of lords who wished to enter into alliance with the noble families

eagles, a canine was incrustated on the helmet of the Namibia's tzar Masinissa. Shields, as well, bore various emblems, for example an image of the dissected Gorgon's head. The emblem of Athena was an owl, Myrmeki had an ant, Corinth — Pegasus, Rhodes — a rose. It seems to be a real heraldry but at the time of Gomer these symbols were not propagated to other generations; any artist could add a symbol or a sign.

The marks of distinction existed at all times and in all places, however the heraldry as a form of symbolism appeared in the feudal Western Europe. The term "feudalism" (originated from medieval Latin word "feodum") means "chivalry remuneration" (or lordship). Heraldry as such appeared at the time when the knights encased in armor were unrecognizable by both friends and enemies. Personal identification ("that's me") and the message ("I'm a friend") are the main reasons of distinction.

Curiously enough, another reason due to which the heraldry developed was the twilight of the Roman Empire and propagation of Christianity. This religion gained a foothold at the time of cultural and economic decline in Europe; swords, blood and crusades helped it conquer hearts and minds of people. The crusades asserted prosperity of many families. The European society became more and more sophisticated and exquisite by communicating with the rich East with its values and precious things. Enriched knights brought immeasurable treasures from the distant countries, more and more assets became objects of heritage. Having gathered wealth by robbery and striving to assert themselves or be distinguished from the simple mortals, first feudal lords used coat-of-arms as signatures and designation of ownership. In the era of total illiteracy, this was the only way to affix a document with one's own name. A distinctive sign was far more understandable to illiterate people. Thus, the heraldry informed about the rights holder.

Byzantine princess Anna Comnina (1083—1148) studied shields of Frankish knights crossing the Byzantine Empire with the aim to join the Crusade. At those distant times she wrote in her diary that the shields of Frankish knights had been "extremely glossy and made of embossed brass."

Appearance of heraldic symbols in England is associated with the long-time governance of Henry I (1068—1135), notorious for his blood feud against the royal family which members fought for plenipotentiary power. The "Chronicle" manuscript drawing made by John Worchester at the end of the XII century reflects the environment of that time: in his troubled nightmare rival knights attack the king. They hold swords together with so-called inverse drop-shaped shields which were used at that time. The shields had ornaments in the form of curls, oblique and other geometric figures associated with the early heraldry.

By the XIII century, the notion of grandeur (high blood) indurated in the society of lords who wished to enter into alliance with the noble families. Excellent family tree became a cult. Development of heraldic signs provided perfect possibilities to confirm one's ancient parentage and nobility. Heraldic signs were used as means of communication and self-identification, information on distinction and prosperity, search for convenient alliances with the peers or even more profitable unions.

Several centuries after the appearance of the first arms scientific works on heraldry and armorial research papers were published. The "Zuricher Wappenrolle" published in Zurich in 1320 is likely to be one of the earliest of them. At the end of the XIII century, in France, Jacob Bretex compiled a list of tournaments and coat-of-arms of their participants. The monograph of Italian lawyer Bartolo named "Tractatus de insigniis et armis", published in 1356, is the earliest description of the heraldic rules.

At the court of King Charles VII (1403—1461) the senior herald of France was mister Berry who, at the request of the king, crossed the entire country, visited castles, abbeys and cemeteries, studied images of coat-of-arms and traced down ancient family trees. Based on the outcomes of his studies he compiled register "Le registre de noblesse". The Barry's monograph was the beginning of regular genealogic records made by French heralds. When kings ruled, starting from Henry VIII (1491—1547) till the times of James II (1566—1625), English heralds received similar instructions and paid visits known as heraldic. The results of such "heraldic visits" proved the majority of ancient coat-of-arms, which appeared before 1500, had not been granted by the king but appropriated by the owners. Quite often happened that some noblemen and not related to them people had the same coat-of-arms. When a conflict arose between the owners of the same coat-of-arms the both parties appealed to the king as the last Instance. Ridiculous situations happened when a nobleman, due to the settlement of question, being forced to reject his own coat-of-arms, consoled himself by inventing a new one. "Heraldic visits" were enormously fruitful, the collected data formed the basis for the English genealogy and heraldry.

At the same time the Kazakh steppe saw a parallel world living its own life; that was a civilization where the right of ownership was sealed with the Tamga, a family sign, stigma, brand, seal. Almost all Central Asian nomads used to have clan, family or communal signs from the earliest times, primarily that

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were the signs of ownership. They were used to brand cattle, armament, domestic items. According to Turkic legend famous Oguz-Khan divided between the people names of clans, Tamgas, Urans and other symbols.

One should note the Tamga completely falls under the definition of heraldry. It was inherited, didn't significantly change, its architecture remained, however, in distinction from the European heraldry, it did not belong to any particular family but was used by a subclan; though one can argue — a subclan within one Juz is a family. One more difference is that a European family's coat-of-arms could belong to a noble person only, and was bestowed by a king; in Kazakh steppe, all clans had their own tamga with no exception.

The nomadic clan signs formed an "edifice" which responded to any changes in the clan structure caused by growth, merging and separation of families. In such cases additional signs appeared and the existing ones changed. Additions to the old tamgas or variation of their graphical image reflected sophistication of the clan structure. Kazakh tamgas are the witnesses of ancient and relatively recent internal clan communications between the Kazakh people, its complicated relationship with neighboring clans and nations. Tamga is the key to understanding of the history of the Kazakh people, in this sense it is "historic shorthand".

Once we look at our signs all together, we realize that our home consists of 6 ropes called kerege, 92 uyks - clans, and one shanyrak. Signs and their names preserved the primordial ethnogeny layers of our people. For instance, Botpai clan which is a member of Dulat family union has a common tamga with some variations. All these tamgas are the derivatives of the common Dulat tamga. The name of Botpai is mentioned in the works of Byzantine historian Nicephorus. He narrates about the split of the Bulgarian Orda between five sons of Kuvrat prince at the time of Emperor Constantine IV, in the VII century. The first Orda led by the elder son, Botpai, remained in their own territory, on the shore of the Azov sea and Kuban river.

Documents on tamgas show how identical tamgas spread in the north, west Kazakhstan and throughout steppes along the Volga river, reached the North Caucasus, the Azov, and the Black sea. Appearance of tamgas and clans is associated

with the name of Tauke-Khan. His famous Code of Conduct states "Kazakh tribes, clans and generations must have their own tamgas." Kazakh family trees represent ancestors as legendary progenitors of all Kazakh people who lived in Kazakhstan. One of the objectives of creation of family trees was to establish inviolability of rights for pastures and watering places.

The basis of the Kazakh tamga system is rather simple; therefore it is easy to identify interrelation between clans forming the Kazakh people. Thus sphere images dominate in the tamgas of the Elder Juz, various dashes and angles — in the Middle Juz tamgas, there are some round-shaped figures. The Junior Juz has the greatest diversity of tamgas which proves a tricky tribe structure.

The first traditional heraldic attributes of nomadic supreme power — flag and seal — appeared almost simultaneously with the formation of ethnic and politic union of Turkic speaking nomads called the Kazakh Khanate (1466—1822). Seals of Kazakh Khans had a tear-drop (amygdaloidal) shape; they were used to seal internal and international documents. This was the main symbol of Kazakh nationality. The owner of such ring seal belonged to the nomadic power circles. He had a legitimate right to act inside and outside the country on behalf of allied tribes, clans and juzes; the most important is that he could personally assume legal responsibility for the performance of agreements signed by him.

Laissez-passers (writs of protection) with Lords ring-shaped seals helped rehabilitate the transit trade in the Steppes disrupted by the Junggar invasion. In the dark 1732, Abulkhair Khan resumed their issue to Caravan — Bashy (Head of a Caravan) as it was done by his ancestors. The number of robbery cases reduced, and the trade process on the Silk Way woke up.

However one of the first deepest studies of Tamga was done by Mukhametzhan Tynyshpayev, a gifted researcher and deputy of the II State Duma, some 100 years ago.

Thanks to his own energy and charisma, Tynyshpayev successfully overcame numerous hurdles and received a Diploma of the Petersburg Railway Transportation Institute named after Emperor Alexander II and became the first Kazakh engineer. Later on he described the Urans (battle cries) and tamgas of Kazakh clans and subclans. •



100 ел | стран
50 теңге | тенге

Роумингке кірген қоңыраулар*
Входящие в роумингге*



* Қосылу бағасы 198,23 теңге, жұмыс істеу мерзімі 30 күн, одан кейін қайта қосылу қажет. Activ абоненттері тек 40 қатысушы елдегі роумингті пайдалана алады. Науқан мерзімі 31.12.2010 дейін.

* Стоимость подключения 198,23 тенге, сроком действия 30 дней, после чего необходимо подключиться снова. Для Activ абонентов доступны только 40 стран-участников. Срок акции до 31.12.2010 г.

Subjective review of mobile phones

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Dinara Sherieva

This issue continues the mobile phone review column Subjective Review of Mobile Phones 2. Just as last time, this review is special because it is absolutely subjective, independent and does not provide any technical specifications which can be easily found on the Internet. The review covers smartphones by two manufacturers: Samsung and Nokia. I'd like to point out from the beginning that I won't compare them because they are absolutely different. The main parameters that matter for me are user-friendliness, speed and appearance. So, let's start



Samsung Galaxy 5800

The first advantage this model deserves mentioning is its compact dimensions and small weight while maintaining all smartphone functions. I searched on the Internet the manufacturer's options for Samsung 5800 color and it turns out that only black is available. Now, don't think that I have a sudden obsession to buy a rose-color phone. But as far as I understand the market tendencies, nowadays manufacturers try to lend variety to the model range, including with colors: classical black and silver metal for business class, and more colorful range for phones designed for the younger audience (to my subjective opinion, 5800 belongs to this category). Anyway, we have a black plastic body, which is by the way very sensitive to scratches. The same can be said about the screen glass; apart from that, it is easily soiled.

The sound and loudspeakers surprised in a pleasant way: one can say about them "small but ... loud". And not only "loud" but also a clear sound.

As it is normal for Android smartphones, Galaxy 5800 has a system of homescreens where a menu with applications is hidden. The homescreens have widgets, shortcuts, folders if you want – everything as you prefer, and this is also an advantage. I downloaded some cartoons and movies, quality is pleasantly surprising taking into account the small size of the device itself. Nothing hangs.

Business functions include ThinkFree Online service. It is an Internet documents storage. But, personally, I have my doubts as for reliability of the mailboxes created by default. To my mind, it is easier to create "for downloads" folder in your own mail service and store the files there.

As far as I understood, Samsung likes to be touched. After you unlock it, the phone suggests running your finger over the screen again. The same principle is used for Swype function which is an innovative method of text introduction. At first it seems to be "weird" but after you try it everything falls into place. Its essence is simple: instead of pressing the virtual buttons as usual, we just run the fingers over them without detaching, thus a curvy track is drawn where the transport nodes are the required letters. This method of typing is really comfortable though one has to get accustomed to it. It minimizes typos and, even though it seems strange, turns out to be very fast. The most important thing is to know where each letter is situated to avoid walking round in circles.

Of course, there are also Google maps here, standard for Android smartphones. These maps are totally free, but you cannot work with them offline since they're loaded from the Internet.

Summary: good-quality, economical, fast, but lacks a little bit brighter design of the body. If it is designed for the young audience, it would be good to use imagination in this respect.



Samsung Wave

An excellent giant screen! Incredibly good – the glass is resistant to scratches, colors are bright and natural, and screen resolution allows you to see everything to the smallest detail! Thanks to its size, virtual keyboard gives minimum typos when sending an SMS, and the screen is sensitive.

Interface is very nice, intuitive, and logical. Of course, it works fast. Here we find ten homescreens, even though, to tell you the truth, three would be enough for me. As befits, widgets are situated there. Pre-installed

services are Google (mail, maps and search), the list of most visited pages and weather. Android smartphones earlier than 2.2 version do not allow you to share Internet via WiFi. In Samsung Wave, this is possible: receive the Internet from the mobile network and share it via WiFi. It can maintain three computers at the same time!

Memory is sufficient, this is demonstrated by 3D games. Amazing graphics, dynamics, speed, visual effects, even vibration at a certain tilt angle and when braking.

But... The phone doesn't fit into the hand, it pulls down the pockets, appearance is at 4- (according to my own scale). The camera is mediocre, with 5 megapixels, the flash is somewhat weak. **Summary:** powerful, with great display even under the direct sun rays, sensitive, shockproof, heavy and... unfit for woman's hand.



Nokia C7

A beautiful phone. This review used the silver model which immediately added

several points to the appearance aspect. It is very stylish, elegant, nice to hold. Here, the manufacturer found the delicate balance between size and weight, it can be easily used with one hand. Interface is familiar and at the same time unfamiliar, the previous model's features are discernible, and I think that Nokia fans will be glad to find it. Though, for justice' sake, it must be pointed out that under the sun the colors fade, you have to cover the screen with the palm to see the function you need. The screen is very responsive. The glass gives an impression of shockproof, I even tried to scratch it with a coin, no traces are left.

C7 is one of the first models that support multitouch. Thanks to this function, I can also tell you about the 8-megapixel camera quality. Take a photo, zoom in, and discern the details. The photos are of a very good quality, as well as videos. As a rule, in smartphones, when you record a video, the sound is recorded as some unintelligible noise. Nokia's sound quality in video records is good. Though, in handsfree mode the loudspeakers didn't do very well: neither me, nor the other side could hear anything, even at maximum volume.

The battery presented itself well. With active use of Internet, it lasted more than three days.

The vibration call is somewhat weak. Or, it could be that I got used to almost being moved in time with the vibration when my old Nokia rings in the pocket. This is certainly not the case here.

Social networks. Nokia has made a special application in which all social network accounts are concentrated, authorization is done through OVI. Facebook is comfortable and fast; this function stands out because, for example, when you're in a restaurant, at a party or anyway just want to share what you see with your friends on the Internet, you take out your C7, take a photo, define the location and post it on Facebook. This photo will immediately appear on the network specifying the place where the photo was made. I guess that a load of images from the latest Nokia will be uploaded to Facebook during and after the New Year corporate parties. By the way, the same can be done with YouTube by posting video instead of images. Undoubtedly, bloggers will be happy about this function.

When I took the device in my hands for the first time, my first impression of delight with its appearance was followed by disappointment. The phone was empty! It turned out everything must be downloaded from OVI Store. I was quite surprised to find out that everything is downloaded for free. Maps, guide, GPS were amazing. I live in the part of single family houses and I decided to see whether the maps actually match. Nokia maps even showed the dead-end streets only locals know about. What about the GPS? It's great, you can choose either "walk" or "go by car". For right or left turns at the next crossings, the phone suggests preparing for the move by timely changing to another line. For me, this is a very useful function, because as many women I'm useless in topography: as soon as I get away from the town center, I start switching from one line to another trying to remember the turn I need. Guide. This function tells where you can eat, pass an evening, book a room in a hotel and other useful things for tourists.

I attended a Nokia press-conference where Ovi Store services were presented. I specifically asked whether it could happen that after making Nokia's users accustomed to its virtual store, some day they will say: "and now, sirs, the services have to be paid for". The literal answer was the following: "This is free and forever". Oh, great!



Summary: C7 is good-looking, stylish and fast. Great quality of images and video, applications are not only useful but also functional. But! Only few games, the screen fades under the sun, loudspeakers and vibrator are weak. Another point, due to the manufacturer's design, SIM-card cannot be taken out so easily, but only with the help of forceps. I don't know whether this is deliberate, so that once you started with C7, it's physically hard to get rid of it. As for the rest, it's a great model.

Nokia N8

The same as for C7, plus an HDMI-output, plus a 12-megapixel camera. I learned only recently what an HDMI-output is, so I'll explain it to those who like me don't know about it. It means that from the mobile phone you can watch TV videos. It's very simple, you need to have a N8 phone, a TV with HDMI input and a cable included into the Nokia N8 package. Connect everything and enjoy!

12 megapixels. Our family went to the circus to see the hippopotamus show. I can say that on the video you can see even the nostril hair of these nice animals. I think no more comments are needed.

Another distinction from C7 is that this model is a monoblock, i.e. the battery cannot be taken out and SIM-card is installed into the phone's body. And this means that to replace the battery you will have to go to the service center. Whether this is an advantage or not, we'll see in the future, it depends on the service life of this element.

Summary: In the previous edition, we reviewed several phones. And even though it is somewhat incorrect to quote oneself, I'll do it anyway: "If I could choose, I would take the following phone: iPhone appearance with Satio camera, HTC speed, and Nokia's user-friendliness, multi-functioning and durability". As you can see, N8 has made my dream come true.

This article was written in the beginning of December, when the 3G was just launched in Almaty and Astana. Now, I won't praise neither Nokia nor Samsung, nor any manufacturer at all. I can just say that with 3G launch the age of simple "phones for calling" has finished. Smartphones and communicators rule the day. ●