CMG INTRODUCES THE FIRST REAL-TIME PREPAID RATING AND CHARGING SYSTEM BRINGING POSTPAID STYLE SERVICES AND REVENUE LEVELS TO PREPAID

Submitted by: Golin

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10 January 2002 Birmingham, UK: CMG launches the first truly real-time product to rate and charge for prepaid messaging, services and content. Operators now have the opportunity to harness the full revenue potential from the fastest growing mobile market sector by offering a broad range of 'traditional' postpaid value added services to their prepaid subscribers.

Whilst enabling an operator to generate new revenue streams by allowing the real-time charging and control of premium prepaid services such as global SMS roaming, enhanced messaging (EMS) e.g. ringtones/logos and data based services, Prepaid mCharger also allows the operator to secure revenues by maximising customer retention through it's extensive promotion and loyalty functionality. Supporting 2G, 2.5G and 3G messaging services, Prepaid mCharger is a highly scalable solution designed to support operators address network performance and quality of service issues.

George Greenlee, CMG's Vice President of customer care and billing commented: "The telecoms industry has experienced phenomenal success in prepaid services. On some European networks, 70% of subscribers have already chosen this option. Prepaid subscribers often make up the bulk of an operator's customer base, yet historically they haven't been offered the same range and quality of services as their postpaid counterparts. Real time Prepaid SMS global roaming, premium rate mobile terminated services and enhanced messaging can now be offered to prepaid subscribers and charged for in many ways efficiently in real-time. Many vendors have been talking about this, however CMG is the first to supply operators with a product that's available today.

Operators want to generate as much revenue as they can from their existing network investments. Prepaid mCharger allows them to do just that, through targeting the majority of their subscribers".
Hugh Roberts, Associate Strategist with Logan-Orviss International, added: "Prepaid customers are no longer being seen as the 'poor relations' of the telecoms subscriber family. The potential for sophisticated brand and customer management through the mix of product and price at point-of-sale will without doubt begin to drive ARPUs from prepaid users above those currently experienced in the postpaid environment as new mass market services become available to them. However, this will only create a win-win solution if the service consumption is accurately rated and detailed to the customer in real time. Customers will pay for the services they really want but the carriers will only benefit from this

if they can reliably process the potentially massive number of micro-transactions generated."

A highly scalable solution, Prepaid mCharger supports up to 5,000 transactions per second in real-time. This real time capability means that operators can avoid billing delays and the risk of revenue leakage associated with the 'batch processing' of records (a process also known as 'hot billing') where subscribers who have exhausted their account credit can continue to send messages until the next batch of records is processed.

Prepaid mCharger solves this by integrating with voice prepaid infrastructures to share load balance and dynamically charge for SMS. When the SMS service centre (SMSC) receives a request to send a message, Prepaid mCharger checks the SMS balance assigned to that account. If enough credit is available, the transaction is allowed to progress. If there are not enough funds to support the transaction, the service will not be released and the user can be sent a top-up reminder. By aggregating SMS transactions, the burden is taken off the voice prepaid system, bypassing potential performance bottlenecks and eliminating the risk of lost revenues.

Premium rate and mobile terminated prepaid messaging

Prepaid mCharger enables operators to charge for high value mobile terminated services, something that has not been possible to date. Prepaid customers can now subscribe to premium rate services and get these sent direct to their mobile phone e.g. news, weather, city guides and stock market information. Subscribers can have over 30 balances for services like SMS, chat and GPRS, facilitating loyalty and promotions schemes e.g. 100 messages free of charge upon joining or additional credit awarded based on first time usage of new services.

Future services

Prepaid mCharger supports 2G, 2.5G and 3G and meets the demands of multimedia messaging (MMS), wireless Internet access and mCommerce. The provision of MMS, a picture-based (and in future video-based) messaging solution to prepaid users is a key requirement for operators to generate revenues from next generation services. MMS can be rated against message type, size and Application Service Provider (ASP). Similar functionality is offered for WAP and I-Mode based wireless Internet access enabling operators to assess pricing based on URL, required security level and user location. Prepaid mCharger provides an open framework architecture which means that operators can create their preferred solution from either CMG components or through integration with other billing products.

Hugh Roberts continues: "Whilst brand considerations may lead to the continued separation of pre- and post-paid customers in some market segments, the underlying enabling technologies and processes will have to converge to ensure cost-efficient operational support, relationship
management and revenue growth. In the m-transaction environment, the billing process is itself becoming inextricably intertwined with the enabling service delivery mechanisms. In this context, we welcome the combination of messaging expertise and billing systems experience which CMG
has brought to bear in the development of Prepaid mCharger, and as a consequence are really looking forward to seeing it fulfil its potential.

About CMG Wireless Data Solutions

CMG Wireless Data Solutions is the leading global supplier of messaging, mobile Internet and Customer Care & Billing solutions for the wireless industry. CMG develops high-end solutions in close co-operation with its partners. To date, more than 200 of these quality solutions have been delivered to over 100 operators worldwide. They are widely recognised as being the best around, combining minimum operator intervention with maximum performance and availability. The portfolio includes solutions based on the Multimedia Message Service Centre, Wireless Service Broker(, supporting WAP and i-Mode services, Mobile E-mail, Short Message Service Centre, Cell Broadcast System, Unified Messaging Solution and EPPIX (Customer Care & Billing System).

CMG Wireless Data Solutions is a division of CMG plc (http://www.cmg.com). CMG, established in 1964, works closely alongside its customers in long-term relationships to generate success for them. CMG is a full service provider through management consultancy, systems development & integration and the outsourced management of targeted business processes. Our purpose is to lead in the creation and development of the most advanced IT and telecommunications services (ICT) and wireless data solutions (WDS). The combination of our ICT and WDS capabilities produces a compelling proposition for enterprises seeking to add the mobile channel to their operations and marketing strategies. We are at the heart of our customers' critical activities, combining industry knowledge, technical expertise and practical innovation. With some 14,000 employees CMG implements and supports applications for customers worldwide from bases in 17 countries.

CMG is listed on the London and Amsterdam Stock Exchanges.

About Logan-Orviss International

Logan-Orviss International is an independent consulting group specialising in providing strategic guidance and implementation expertise to the global communications industry, with particular proficiency in the new service deployment, billing, customer care and OSS fields. For further information please visit http://www.logan-orviss.com

For more information, please contact:

Tim Simmons/Sasha Simms
Weber Group Europe
+44 207 544 3157/3207
+ (0)7970 029 960 / + (0)7957 334 058
tsimmons/ssimms@webergroup.co.uk

George Greenlee
+44 121 787 0000
george.greenlee@cmg.nl