

Netcom: Telegraphing Universal Coverage in Nigeria

"We strive to build networks right the first time," says Mr. Sean Hsu, president and managing director of Netcom Africa. The first company in Africa to obtain ISO and TL9000 certification, Netcom has demonstrated its strategic strength in pursuing quality in its operations. Headquartered in Lagos, Netcom offers its customers direct support without having to appeal to an office outside the country. "We are one of the few companies that are headquartered here—our entire management team is here," says Hsu.



Netcom's headquarters in Lagos

As a Nigerian company, Netcom focuses on providing excellent quality of service even if that means not pursuing the mass market directly. "One of my mandates for our customers is that we provide not only good service, but assisted service," says Hsu. "We are the first company here to actually give a customer a guarantee. We guarantee that networks will be up 99.5% of the time and if they aren't, we owe you money." Such practices have enabled Netcom to draw the likes of Shell, Chevron, China National Offshore Oil and Total as customers.

On the cutting edge of technological innovation, Netcom has invested in O3b (the other three billion) system of satellites that will become operational by the first quarter of 2011. By utilising low-earth orbits (LEO), O3b will provide terrestrial fibre optic cable quality without the drawbacks of relatively high maintenance costs associated with operating in Nigeria. "What we are saying with O3b is forget about those CAPEX costs as you will not need to lay fibre anymore—everything will be available by satellite," says Mr. Hsu. "It is as cheap and fast, while the latency is exactly the same. Satellite for now in Africa is more reliable and more available than fibre."

Netcom—which will build a gateway teleport facility in Lagos—envisions using O3b to help operators provide coverage to the whole of Nigeria at an affordable rate. In addition, Netcom will have a new submarine cable connection with Main One (connecting West Africa with Europe) which will replace the somewhat spotty SAT-3 connection it has through NITEL. Mr Hsu says, "We hope that telecommunication services can be accessed by 100% of the population within the next few years."

According to Mr. Hsu, Nigeria has "tremendous potential" for growth opportunities. "Africa needs wise investment. It doesn't just need money, it needs intelligence, manpower and resources," he points out.