

BASSET News

This was 2010 - now we are focusing on 2011



2010 is coming to an end, yet another successful year to look back at for our Basset team! Our entire solutions and services suite has during the year been updated to add even more value to our customers.

We have seen a great demand for our solutions, both from our existing customers with many upgrades, but also with several new customers that after a thorough review has decided that our total offer is the most valuable out there.

Financially we continue to be strong which indicates that our business model works. At the end, this benefits our customers that can expect an even higher output from our solution factory as well as extended service offerings.

At Basset our main ambition is to help our customers to get more from their business. Our services and solutions make sure operators get paid for every transaction in their network without loss or attempted fraud. It is clear that there is, if possible, an even higher need for our type of solutions in the telecom environment today and in the future. In this newsletter you will be able to read more about our Watchdog suite, our solutions used for combating fraud and revenue leakages but also our development within our roaming billing solution with the new release of RevUp Roaming 4.1.

When, looking forward towards 2011, our growth will continue. Not only with continuous effort in releasing competitive solutions to our existing customer, making sure they are one step ahead, but also organization wise with increased number of employees, both at our head quarter in Sweden and at our satellite offices. A growing change-out market also plays in our hand when operators look for new systems and suppliers with high level of attention, great solutions and long term commitment. As we move into 2011 we will also continue to bring, to us, new customers aboard and welcome them to an environment where they will ultimately **Get more!**

We look forward to working with you in 2011 and forward!

Yours sincerely,

Jesper Wikstrom Forne
CEO Basset AB

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Seasons Greetings

“Revenue assurance” is a broad umbrella term, but for us at Basset, Revenue Assurance is the work to ensure that all earned revenue is collected. This work consists of processes, practices, and procedures to maximize the revenue streams, it is performed cross all departments and products. The understanding of the revenue leakage nature is needed before you can develop a balanced and holistic approach to ensure the success of a revenue assurance organization.

An area that is constantly evolving

Revenue Assurance (RA) is an area that is constantly evolving and as the implementation projects takes time some of the criteria's set when the project was started has many times changed during the course of the project. At Basset, we have listened to the operators and are therefore offering a Revenue Assurance model that is both fast and cost-effective, a program that applies to new operators as well as small and mid-sized.

- The revenue assurance strategy needs to be carried out as part of an overall business performance strategy – and not be just a leak detection exercise. The approach preferred by Basset is to first analyze the main problem areas and address those issues, set the revenue assurance processes and build the foundation for a Watchdog Reconciliation System first, says Daniel Salokas, Product Manager of Basset Watchdog Revenue Assurance.

The key in Basset's approach is to keep it simple and make sure that the RA department can handle the implemented controls in the Watchdog Reconciliation System, and then start the process of covering the complete network structure and business processes.

The steps forward

The first step of the process is to understand the usage data management requirements of the operator's OSS/BSS systems and the recommended business and technology workflow. This first step is aimed at creating the baseline for your processes and configuring of a set of basic controls. This approach will give you a good ground from where you can build your revenue assurance activities, and focusing on the major issues will ensure you a quick ROI.

After the foundation and processes has been set in the first step, it is time to expand the number of controls and set the processes to cover the rest of the network elements and make sure that addition and other changes to the network is captured in the revenue assurance process.



Creating the Revenue Assurance Program

- For a successful Revenue Assurance program you will need to have an ongoing and evolving department, it is not just a software implementation or an audit function. The revenue assurance department needs to continuously evolve and have well-designed processes and automated monitoring software to be able to keep up with the acceleration of complexity within the telecom industry. The work will be different for all operators as their challenges are different, but we believe that all operators need to focus on these three main areas to get a working Revenue Assurance program, says Daniel Salokas, Product Manager of Basset Watchdog Revenue Assurance.

Organization

The RA department should have skilled persons from all different aspects of revenue assurance, such as accounting, process management and network, all with an analytic mindset. It is important that the revenue assurance department create and monitor KPIs, not only within departments but across departments, and creating a reporting structure that supports their revenue assurance objectives.

Process

Operators should review their end-to-end processes and implement new ones to control critical areas and to measure and monitor key checkpoints. After the implementation and review of processes, the Revenue Assurance team can setup the reporting and KPIs needed to monitor these processes.

Technology

The tools needed for a successful RA department should at least cover the following areas:

1. Reconciliations with built-in triggers that identify problems as they occur.
2. KPI monitoring
3. Dashboard
4. Flexible reporting functionality
5. Business intelligence tools which provide enhanced visibility into an organization

Getting the tool required

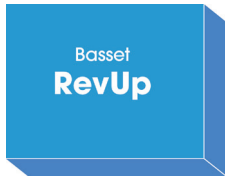
The revenue assurance software solution should be able to interface all the parts of your network, including network elements, billing systems, operations support systems and databases. The system should handle all type of services set including wire line, wireless, Internet, broadband and data.

Watchdog Reconciliation can give you the following benefits:

- **Connectivity** - With our experience in mediation and our flexible ETL module we offer interface to any network node you may have in your system and it has minimal impact on existing systems.
- **Flexibility** - The modular structure In Watchdog Reconciliation makes is easy to add new network nodes and to make new controls to keep the system up-to-date and grow with your business.
- **Intuitive user interface** - Our easy to use interface with workflow guidance will help you make the correct decisions and rapidly act on leakages in your revenue chain.
- **Data analysis** - With our integrated query tool, our data mining, our multi-dimensional analysis and feature complete pivot table control provides business users unrivaled insights into daily operations
- **Speed** - With our system you can perform your data analysis tasks on near real-time data. This speeds up the discovery of problems and minimizes the potential loss.

Benefits of Basset's Revenue Assurance approach

The main benefit of this approach is that you get a good baseline of processes and automated controls in place. By using this approach you will ensure fast result and quick return of investment. The Watchdog Reconciliation system offers a powerful, flexible and scalable framework for implementing comprehensive revenue assurance software that supports your processes with near real-time monitoring. By using this approach the system is able to act quickly and take actions to recover potential losses.



The launch of RevUp Roaming version 4.1 - the solution that gets you in control of your roaming business

Basset recently launched a new version of RevUp Roaming, the 4.1 - a solution that takes the leap from a roaming billing solution towards becoming a full Roaming Management Solution. This complete Roaming Management Solution, with partner and agreement management and new reporting capabilities, will help operators to get the control and insight needed for a successful roaming business.

Basset is since many years a specialist in the partner and roaming billing domain. Roaming billing is still considered a high margin business, even though recent years of competition and regulations have forced operators to start looking for alternatives to increase their revenues and keeping up the margins.

“The roaming market is expected to grow 85% between 2010 and 2015”

- With an expected global roaming market growth of 85% between 2010 and 2015, it is essential for the operators out there to be able to adapt to an ever increasing local and global competition. Having control of the settlements process and processing tools are more essential than ever, says Magnus Nordlof, Senior Advisor at Basset.

With the new release of RevUp Roaming - version 4.1 – the solution provides an alternative for operators to get more out of the business. The RevUp Roaming 4.1 has taken yet another step to provide a full Roaming Management System, added with a fully-fledged partner and agreement management system.

- With an active development and successful integration with our partner Elisa Eestis' Partner Management Module, we can now offer a best-of-breed solution - a unique combination of Basset's wholesale experience and a process-oriented partner management module that has been developed "by operators - for operators". Basset supplies solutions that effectively puts the operators in control of the roaming business and gives them the upper hand in domestic competition and partner network contract management, Magnus continues.

In Basset's continuous effort to provide a system highly adaptable to changes and new requirements, the RevUp Roaming 4.1 features:

- **Partner and Agreement Management system**
 - the solution will have a fully-fledged Partner Management system
- **Extended Reporting Framework**
 - the report management will be handled by Microsoft SQL Server Reporting Services.
- **System enhancements**
 - the backend platform has taken another leap in terms of supporting the next generation hardware and software.
- **Improved web user interface**
 - the web user interface now supports a more intuitive workflow and possibilities for automation of repetitive work. A number of steps have been taken to increase system usability, preventing costly errors and making the system easier for new users to learn.



Mission to drive the Basset Watchdog suite - interview with Ludvig Lindqvist, Senior Advisor Watchdog suite

Ludvig Lindqvist, our newly appointed Senior Advisor for the Watchdog suite, has been an employee at Basset since 2000 when he started as a technical trainer for Watchdog Fraud. Since then, Ludvig has held several positions within Basset. For instance he has been our Product Manager for Watchdog and Head over Installations before he joined Sales over a year ago with focus on the European Market. Due to Ludvig long experience and high knowledge within the fraud domain he was recently appointed Senior Advisor for the Watchdog suite.



Basset has 15 years expertise of fraud management. To further strengthen the position Basset have got in the fraud domain and to increase the market share within revenue assurance; Ludvig will serve as business driver for both our Watchdog Fraud and Watchdog Revenue Assurance solutions within the Watchdog suite. He will act as a senior advisor to help the customers to stay one step ahead of the fraudsters and to detect revenue leakages with our smart solutions.

About the suite

Watchdog is a complete solution suite focusing on fraud management and revenue assurance - everything is designed to avoid revenue loss. The solution supplies effective tools that help operators to constantly stay one step ahead of the fraudsters and to detect and act on revenue leakages. Watchdog is a flexible solution that makes it easy for operators to expand into new areas. By using Watchdog operators will get more by losing less.

Watchdog Fraud is a very powerful system and one of the most utilized solutions on the market when you want to fight – and win – the fraud battle. This cost-effective fraud management solution is based on our three-step philosophy: Detect, Act, Prevent. It gives your organization full support in your ongoing efforts against fraudsters. And it can easily be expanded with our Watchdog Reconciliation to detect revenue leakage. Watchdog covers all fraud scenarios with its unique flexibility and reporting capabilities via dashboard and reports. Watchdog will help you maintain control of your business.

- Implementing our Watchdog Reconciliation solution will immediately help boost your revenue. The solution is an effective and very easy-to-use tool that will help you detect and prevent revenue leakages. It is also easy to expand with our Watchdog Fraud Management solution. It is a low risk investment – but the return is high, says Ludvig.

The market

The revenue assurance and fraud market is highly mature and most operators are today active in the domain in one way or another. The level of effort and focus is highly individual, depending on region and operator maturity.

A trend is to look at fraud and reconciliation under one umbrella, and to combine efforts and systems into one single unit. Collaboration around fraud and reconciliation is shown to be effective. Different future trends/threats will show that there will from time to time be more focus on reconciliation than fraud, and sometimes the other way around.

Now and then the same question as with “Which came first - the hen or the egg?” appears, and fraud cases sometimes shows leakages and vice versa. The conclusion is that collaboration around fraud and reconciliation can never be a bad idea!

- One key challenge for most operators is to find resources with the correct competence and experience. Looking at many group operators today, I am surprised that they do not share more knowledge within the domain than they actually do, Ludvig ends.



Watchdog – an extra insurance against credit loss - interview with Johan Baaiman, Senior Application Manager at Ziggo

Basset Watchdog solution is normally used by the fraud department to detect fraud – but the solution is also being used within other user domains as well. As an example, some of our customers use the Watchdog solution within their billing departments – primarily to set the credit limits and reduce their credit loss but not limited to.

Ziggo, the media and communication service provider in Netherland is one of them. Ziggo serve approximately 3.2 million households, 1.4 million broadband Internet customers, 1.4 million digital television customers and 1 million telephone subscribers. Their products and services for the small and large business markets comprise telephony, data communications and electronic payment systems. Their coverage extends across the whole of the Netherlands and has a strong regional presence.

Ziggo previously suffered from losing money on high-usage subscribers - subscribers calling long-distance and expensive calls that never got paid.

Ziggo's billing department therefore needed to find a cost-effective solution that detected high-usage in the network and to be able to set credit limits on the subscribers quickly – in order to reduce their credit loss. They found the solution to the problem in Basset Watchdog in 2005.

The billing department has been using the Watchdog solution for five years with great success as they are now able to be in control and reduce the risk of losing money – to always be a few steps ahead.

“To be a few steps ahead, it's an extra precaution against revenue loss”

- The solution is easy to manage and we are able to be more flexible. The solution sends out alarms each day and every month some customer are being disconnected due to high-usage. We are very satisfied with the solution – it keeps us in control and gives us a clear view of our subscriber's usage. It also protects our subscribers from being billed for calls they haven't done – such as international calls reconnected by switches, says Johan Baaiman, Senior Application Manager at Ziggo.

Basset and Ziggo are now looking into developing a new function in their Watchdog solution, a function that will help Ziggo to be even more accurate and successful in detecting credit risks among the subscribers in their specific market and environment by matching the billing process and the customers behaviour. All development made within Watchdog is available for all our other customers in the next available release.

- The Watchdog solution is an extra insurance - not only for fraud detection, but also for the billing department to reduce the risk of losing money due to credit limits. With the solution you are able to set the alarm before the limits has been crossed – to be a few steps ahead. It is an extra precaution against revenue loss, says Ludvig Lindqvist, Senior Advisor for Watchdog suite at Basset.



Meet our employee: Lovisa Engwall - She is driving our partnerships forward

Lovisa is Vice President Strategic Partners at Basset. She started out as a Key Account manager in 2003 and started to work towards our partners in 2005 and has been doing this since then.

Lovisa has a long and extensive experience from the telecom industry as she worked at Ericsson in Sweden and the Netherlands for 10 years before she joined Basset.

Lovisa and Basset recently launched a new strategic partner strategy, where Basset is open for new and different partnerships, not only within the telecom industry.

- We are constantly looking for new partner possibilities. We have set a process to research and scan the eco-system, connect and qualify the potential partners and then work up a strategy and a plan together with the selected partners, says Lovisa.

Today we are closely working with following selected partners: Bull, Nokia Siemens Network, Orga Systems, Redknee, Ericsson and TRMG, just to mention a few.

- Partnerships are key to a prosperous business; it's all about establishing trustful connections and to have the guts to jointly explore all the new and crazy ideas coming to our minds, Lovisa points out.



Short facts:

Family:

Husband and 2 children, 8 and 11 years old

Interests:

Travelling, food and wine, spinning at the gym, a youth leader within the scouting movement, skiing.

Education:

Marketing and economics at IHM Business School

What you didn't know:

Lovisa has climbed the Kilimanjaro Mountain in Tanzania

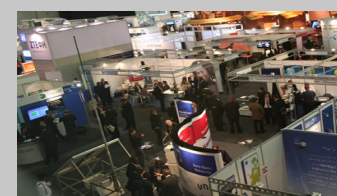
Basset at Africa Com, Cape Town, SA

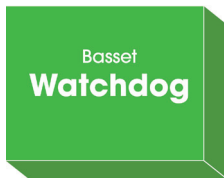
The 13th annual AfricaCom Conference and Exhibition opened its doors on November 9 at the Cape Town International Conference Centre for the annual gathering of Africa's telecommunications leaders. AfricaCom is the premier communications event in the continent. With an attendance of 4.000+, it's big on interactivity and networking opportunities.

We exhibit at the event and met up with a lot of interesting people - existing and potential customers and partners as well as the media - to discuss our offer within inter-operator billing and revenue assurance.

The extensive event programme, covered topics as marketing, mobile money, innovation strategies and more; by representatives of the major stakeholders in Africa's telecommunications market: leading operators such as MTN, Orange, Vodacom and Etisalat to mention a few.

Thank you all for visiting our stand and hope to see you all again soon.

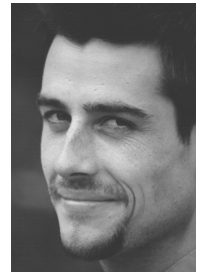




Insights from Fraud Forum #50 in Istanbul

- by Nicolaj Aaroe, Product Manager for Watchdog Fraud

Basset visited the latest Fraud Forum #50 in September, this time being held in Istanbul. A conclusion from the forum is that operators still struggle with SIM boxes as a main concern. There is still quite some revenue going down the drain due to this kind of grey termination. Another serious issue is the IRSF, International Revenue Share Fraud.



Two methods worth mentioning are:

#1 When a subscription is obtained due to false documents the SIM (A) goes abroad, preferably to an operator without NRTRDE agreement. The SIM will be installed into a handset and call forwarding is activated to a premium rate number to which the fraudster are linked to, either by revenue share or by having the PRS number in their own possession. Now, multiple phones are used to generate traffic to the roaming SIM (A), which forwards all calls to the premium rate number. In really successful fraud cases, they may have more than 10 simultaneous calls forwarded to the premium rate number. This can go on for up to 24 hours before the home operator is notified and acts upon it.

#2 The other one is when you call a rare destination, such as Pacific Islands, and the call is being hijacked by a carrier and forwarded to a premium rate number. This often results in that small countries are completely cut off due to that operators block the entire country prefix to prevent loss.

The future of Fraud Forum

Fraud Forum will probably re-shape in the near future. I am saying this because of Martyn Robbins, new deputy chairman that has joined the GSMA Fraud Forum board. He enters the role with great spirit, ideas and ambition to make the Fraud Forum more attractive for new as well as existing members.

Revenue assurance has finally been allowed to take some space in the Fraud Forum. Many Fraud Managers finds themselves responsible for both fraud and revenue assurance tasks. When thinking of it, it makes sense since many fraud cases may be detected by revenue assurance tools and vice versa.

Personal reflection

It is disturbing to realize the lack of cooperation between operators when it comes to prevent fraud from visiting roamers (just as the IRSF above). It is a common problem for most operators, but many of them also gain some revenue out of the fraudulent traffic. Of course there are technical obstacles, which are costly to implement, but it will eventually contribute to a safer environment.

Next Meeting

Fraud Forum #51 will hold its next meeting on February 1-3 2011 in Dubai, kindly hosted by Etisalat. We hope to see you there.



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