

TELEPHONES ARE ABOUT TOGETHERNESS

The first telephone in the world was useless. It was the second phone that made the first of any use at all. The third one made the first two more useful. The fourth one made them even more so. And so on. The more phones that are connected to each other, the more useful all phones become. This is some thing that is very peculiar about phone from all other products. For a usual product, the more it becomes available, the less people appreciate it. In the case of phones, the more they are available, the more useful they become, and more people appreciate it.



more phones.

There are very interesting implications of these thoughts. Unless a telephone infrastructure is built to a

saturation point—a point Bangladesh is unlikely to reach in the near future—the establishment of a new telephone operator is good for old operators. For instance, GrameenPhone has added 40,000 subscribers in Bangladesh, and 20,000 of these are connected to T&T. These 20,000 GrameenPhone subscribers have been very beneficial to T&T subscribers. T&T subscribers can call an additional 20,000 people. Without GrameenPhone, that would not have been possible. That is, GrameenPhone has benefited not only GrameenPhone subscribers, but T&T subscribers as well. It has not subtracted anything from T&T subscribers, but only added to their possibilities.

Furthermore, T&T's revenues went up due to GrameenPhone. That is, T&T gets paid for calls that come from T&T into GrameenPhone and all the calls that go from GrameenPhone to T&T. The fact that makes more revenues by simply connecting to

GrameenPhone. The same, of course, applies to GrameenPhone as well which greatly benefits from its connections to T&T. Through such connection between GrameenPhone and T&T, every one wins: customers make calls, T&T phones become more useful, GrameenPhone succeeds in providing a good service and the Government makes more money.

The same principle applies to any pair of operators. GrameenPhone benefits from the existence of other operators, just as other operators benefit from GrameenPhone.

This is why, GrameenPhone connected to Sheba Telecom which became operational more than a year after GrameenPhone did. When Sheba requested an interconnection, GrameenPhone rushed to do so. Even though GrameenPhone was an earlier established company, GrameenPhone subscribers benefited from Sheba's presence. GrameenPhone subscribers could now reach the Sheba subscribers.

People want telephones because they want to be able to reach each other. Telephones help them be together. To help people get together, telephone companies also have to work together. Telephones are about togetherness.

by Trond Moe,
Managing Director,
GrameenPhone Limited



Patira is a typical village in Bangladesh. In this village, Laily Begum is a typical housewife. She started borrowing from Grameen Bank on 15/9/92 to help her family rise out of serious poverty. After successfully pursuing cattle-rearing, sharecropping, and running a tea-shop—that is, achieving a degree of financial solvency for her family—one day she received a proposal for leasing a mobile phone from Grameen Telecom and retailing telephone services in Patira. Grameen Telecom is responsible for administering such Grameen Bank borrowers in rural Bangladesh and the Village Phone Programme, GrameenPhone's special service for rural Bangladesh.

In early 1997, Grameen Telecom identified Patira as one of the villages that fell under the initial GrameenPhone network and spotted Laily Begum as a potential retailer of the Village Phone service. Laily Begum, Member No. 33/ma, Dakshin Khan Uttara Branch of Grameen Bank, received a mobile phone under Grameen Bank's Leasing Programme for Taka 18,100 and secured a connection from GrameenPhone. On the 26th March, 1997, the Honourable Prime Minister Sheikh Hasina inaugurated the launch of GrameenPhone's service and the Village Phone Programme by speaking to Laily Begum.

On the second anniversary of the birth of Village Phone, we spoke to Laily Begum.

Question: How long have you had your phone?

Laily Begum: Two years.

Question: Please tell us about your experience with the mobile phone?

Laily Begum: The phone has been of great use to me.

HOW IS LAILY BEGUM NOW?

Although I don't have a grown-up son, the phone has turned out to be useful like such a son.

Question: What do you mean by "a phone being useful like such a son?" Would you please explain?

Laily Begum: If I had a grown-up son, he would have worked and helped me financially. Perhaps he would have gone abroad and sent money home. The phone is producing money for my family just like that. As a result, people respect me now. I have recently torn down my old dwelling and have started constructing a new brick house. If I had not had the phone, I would not have dared to start something this big.

Question: Tell us about the situation during this past flood. How far did the flood water rise? What were the damages? How did the phone business go?

Laily Begum: The flood water entered my house. For a month, I stayed at my brother-in-law's place. I lost an entire crop of vegetables. The water-level forced us to shut down the tea shop. My phone business went down because people found it difficult to come here and use the phone. But the few that came produced my only income during the flood.

Question: What work do you do other than retailing telephone services?

Laily Begum: I have been sharecropping with boro paddy involving about three acres of land. We also have this shop, selling tea and biscuits. Finally, on the road next to my house, I am building two stores to be rented out.

Question: What have you done with your earnings from the mobile?

Laily Begum: It is hard to separate that from my other activities. After the flood, I started building a brick house and tearing down my old hut. I am also building two new stores to rent out and invested some money into the boro paddy. For a while, I have not taken out any new loans as my cash needs are being met from the money I made from selling a cow and the income from this mobile.

Question: By the way, who uses your phone? Could you please cite a few examples?

Laily Begum: Everyone in the village uses the phone according to their needs. For instance, my brother-in-law has a chicken farm. The wholesalers in Dhaka know this number. They call up to find out whether we have chickens for sale. If we can supply, then we negotiate the deal over the phone and, only then, the buyers come. If a call is made to the suppliers of chicken-feed, they send us the stuff. As a result, my brother-in-law's cost of business has gone down, both in terms of time and money. Now, he can spend time on other things.

Thereafter, we spoke to Mr. Nurul Amin who happened to be at Laily Begum's house at the time to make a phone call.

Question: What do you do?

Amin: I work in various small businesses including small-time contracting.

Question: Whom did you call? Where did you call? What did you talk about?

Amin: I have a distant relative in Dhaka who wants to buy some land in this area. He will come tomorrow to see a piece of land that I have located.

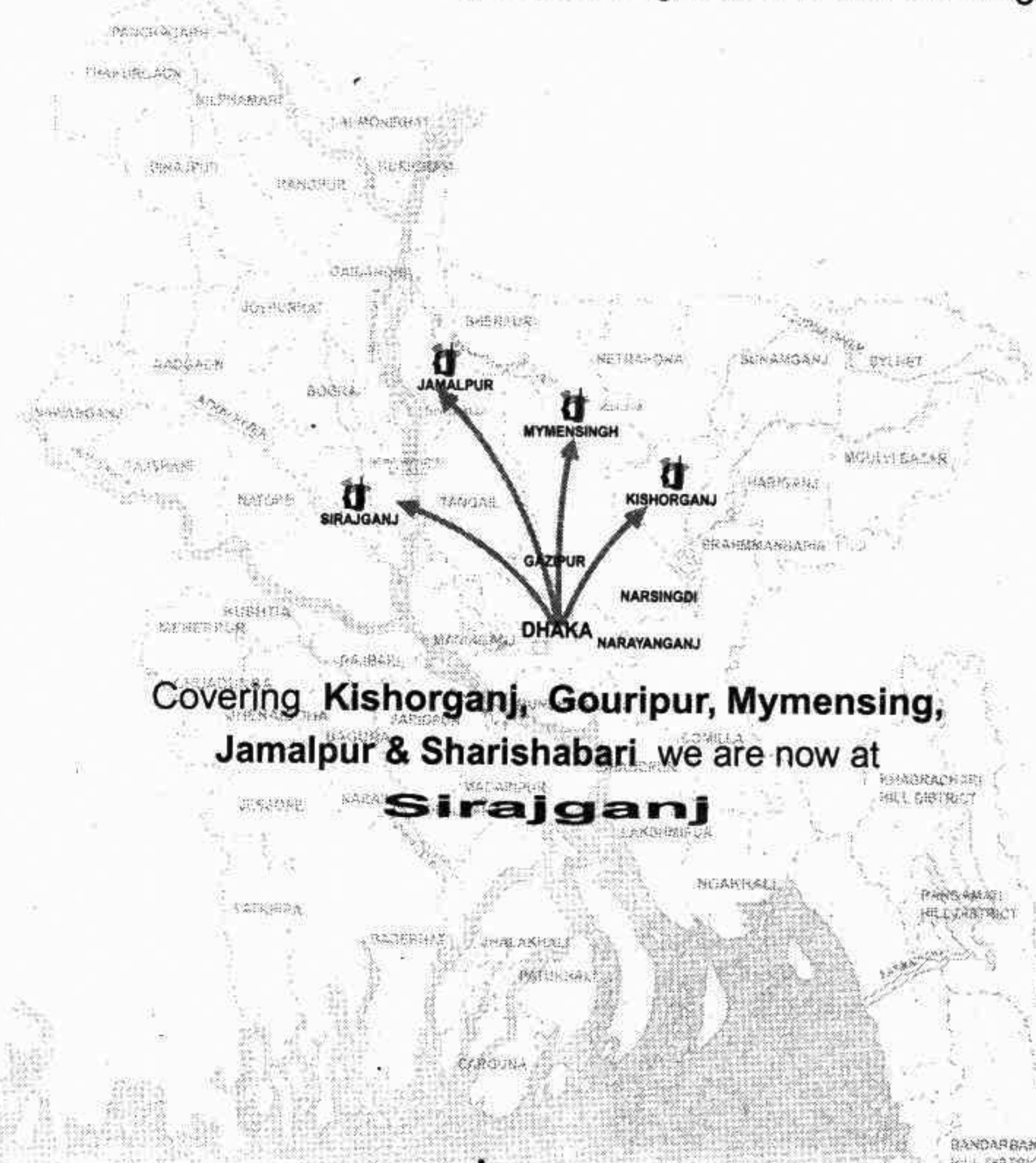
Question: How many places have you given this number?

Amin: I have given this number to about 20 to 25 contacts, mostly to get businesses with a few for personal reasons. This phone is our only means of instant communication.

In the last two years, such Village Phones have been set up in 265 villages in 21 thanas in the Dhaka, Narayanganj, Gajipur, Manikgonj, Narsingdi, Comilla and Chittagong districts. In the near future, this programme will spread to Feni, Kishoregonj, Mymensingh, Jamalpur and Sirajganj. With the assistance of GrameenPhone and Grameen Bank, Grameen Telecom plans to spread this programme to all of the villages in Bangladesh. This way of connecting Bangladeshi villages, most of which have not benefited from telecommunication facilities thus far, would allow them to pursue a dramatically new course of development.

Going North Bengal After covering South

Our Network is continuously expanding towards North Bengal



Covering Kishoregonj, Gouripur, Mymensingh,
Jamalpur & Sharishabari, we are now at
Sirajganj

GrameenPhone
In the hands of people



• Grameen Telecom offers an excellent telecommunication service through GrameenPhone's GSM Network.

• Get your mobile connection
Come to our Sales Center. Choose from several brands & models. Get guaranteed service, instant connection to GP Network. (Dealer of GrameenPhone)

For details

• Sales Center-1: 216 Free School Street, Hatipool, Dhaka. Mobile: 017 524626, 017 5381546
• Sales Center-2: 4 Nawab Road, Narsingdi, Dhaka. Mobile: 017 5381529
• Sales Center-3: Grameen Bank Branch, Mowat, Dhaka. Tel: 90525743 (ext. 1252) Mobile: 017 5381531
• Sales Center-4: Shop #23, Khatun Center Ground Floor, Sector 3, Uttara, Dhaka. Mobile: 017 2881196
• Sales Center-5: 58 B.E. Road, Gajpur Plaza (1st Floor), Narsingdi. Mobile: 017 524627
• Service Center: Grameen Bank Branch, Mowat, Dhaka. Mobile: 017 524626

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to Grameen Phone

on stepping into its third year
of successful operation.

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Ericsson celebrates,
as GrameenPhone turns 2 today.



Make yourself heard.

We, at Ericsson, feel proud to be associated with GrameenPhone, a major mobile service provider in Bangladesh, on their 2nd anniversary. We have been associated with GrameenPhone from the start, providing technology and services. We are confident that this relationship will grow stronger in the years to come.

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