

## Tandberg Data picks special VARs

 EUROPE

TANDBERG Data is to work with a select group of VARs who will serve as a test team for products and partner tools and then provide direct feedback to the company's sales team and product managers. In its new channel programme, Tandberg, which now includes Exabyte, says it wants stronger relationships with VARs and to establish a direct line of communication with the reseller community. It will continue to sell exclusively through broad distribution, VAR and OEM networks and claims to be the second largest player in the data storage industry, with 3000 partners worldwide.

Sales through distributors amounted to \$34.1m (€25.1m), or 67.8pc of revenues in first quarter, an increase of \$15.3m (€11.3m) compared with that quarter in 2006. Gross margin was within the target of 28-30pc at 29.5pc, up from 25.5pc in Q1 2006. Through a new product mix and reductions in cost of goods, the company aims to maintain the target of gross margin of 28 – 30% during 2007. New management under Per Kristian Jacobsen, appointed CEO from April 1, 2007, will look closer into the supply chain for more efficient operations.

More change is expected. The market leader Quantum acquired ADIC in May 2006 and the two companies have been operating as a single entity since August 2006. While no major transactions have taken place so far in 2007 a further industry consolidation is expected, says Tandberg Data.

[www.tandbergdata.com](http://www.tandbergdata.com)

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## Copper outreaches fibre

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With growth of fibre connections apparently stalled, the process of connecting enterprises of all sizes across Europe is going ahead on existing copper lines. Mid-band Ethernet over copper, delivering 2-20 Mbps is rarely a channel product, but is likely to be a €12 bn global market in 2010, with implications for other channel suppliers and products. Although plenty of communications fibre was put in the ground, there is still much more copper available to supply connections for most enterprises across Europe.

Privately-owned Hatteras Networks, with arguably more deployments than any other player in this area, is partnering with Cisco, and working through Nokia-Siemens to supply Germany and eastern Europe.

'There is certainly no shortage of copper. We

were concerned five years ago, but it is clear that there is a lot more than we thought and few limits,' says Kevin Sheehan, president and CEO at Hatteras.

Even in the US, Business fibre access to network services reaches just 13.4pc of U.S. buildings with 20 or more employees, according to Vertical Systems Group's latest research, rising slowly from 11 pc over the last few years. However small and medium enterprise (SME) sites are disproportionately underserved. Millions of fibre route miles are installed to ensure high capacity backbone carrier transport, but last mile connections to business customer sites are spottily available.

'Scarcity of fibre is one of the three major market gaps challenging the growth of native Business Ethernet Services, in addition to speed range and pricing,' says Rosemary Cochran, Principal at Vertical Systems Group.

[www.hatterasnetworks.com](http://www.hatterasnetworks.com)

## sme and consumer round-up

The **Monster Employment Index**, which measures numbers of new jobs registered online in Europe grew three points to a new high of 133 in April, registering a third consecutive month of growth. Online job demand grew strongly in Germany, following seven months of little or no change. Almost all German industry sectors tracked by the Index saw increases in online recruitment activity during April, it says. France, the Netherlands and Sweden also showed strong rises, as the United Kingdom declined to just above its pre-March level. Year-on-year, the Index is up 17 points, or 15%. But overall in Europe, both IT and Telecommunications saw declines in online hiring in April.

With shortages of LCDs for small devices reported in the Far East, Samsung is investing €400 million to build a LCD plant in Slovakia. Samsung intends to produce 12 million LCDs in its first year after completion in March 2008. But it needs the backing of the EU, as the Slovakian government is providing nearly 25 pc of the funding in tax relief and wage support.

A court has this week fined a Russian headmaster half his monthly wage for using pirated copies of Microsoft software at his school in a case President Vladimir Putin has called 'utter nonsense.' Prosecutors said Alexander Ponosov had violated Microsoft's property rights by allowing pupils to use

12 computers with unlicensed copies of Microsoft Windows and Office software. Ponosov, a headmaster in a remote school in the Perm region of the Ural mountains, said he did not know the computers had fake licenses when they were delivered by a sub-contractor.