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BILL SHOCK, OVERSEAS ROAMING

Perth turns telco hotspot

Nick Sas

It may not be the first thing that comes to mind when thinking about Perth business but, just quietly, WA's capital is becoming a small telco hub.

WestBusiness has identified at least six listed — plus one unlisted — Perth-based businesses trying to break into the tightly controlled Australian mobile telco market.

It is almost impossible to compete with Telstra, Optus and Vodafone on the “forward-facing” mobile customer front with the three exercising a virtual monopoly over the sector.

So, they work on the periphery focusing on the two bugbears of the mobile world: overseas roaming and bill shock.

Ziptel, Flexiroam, Norwood Systems and MobiRoam sit in the international roaming area, using new technologies to get around the mark-ups enforced by the big three telcos.

Vonex plays in the VoIP arena, making internet calls in a similar way to services such as Skype or Viber.

MeU, which describes itself as “Australia's first social mobile network”, has secured a deal to use Telstra's 3G network for its high data plans, to combat bill shock.

Norwood chief executive Paul Ostergaard, who has been working in the Perth telco scene for almost three decades, said one of the drivers of Perth's fertile scene came from the trickle-down effect.

“There were a bunch of communications firms (in the 90s and 2000s) whose DNA has diffused into the general tech community in Perth,” Mr Oster-

gaard said.

“It's a little unusual to have three or four start-ups from the same place working in the same area, but looking at what has gone on before (in Perth) it's understandable.”

Mr Ostergaard's company has two platforms called World Phone, focused on the consumer, and Corona, centred on businesses and, like most of the companies listed, is just ramping-up.

Revenue of just \$72,000 for the year and a flat share price highlight that it has a long way to go.

But with some heavy-hitting investors, as well as a seemingly endless supply of awards, it is seen as a company with upside.

Mr Ostergaard said new technology focused on software — and having totally digital products — enabling Perth companies, such as his, to expand across the world.

“The barriers are coming down for Australian tech firms,” he said.

This hyper-connected world is all software with completely digital products.

“We released our consumer platform (World Phone) four weeks ago, and last week we announced 150,000 downloads in 180 countries,” he said.

“It's all just from social media. And I think good products, regardless of where they're from, can find a global audience and grow very rapidly.”

Ziptel has also experienced a rapid rise. It hit the boards in July last year after raising \$5 million at 20¢ a share through a backdoor listing.

Despite some disclosure issues at the start, Ziptel has become the best performing

ASX-listed telco this year, according to Iress data. Its shares have jumped more than 300 per cent since January 1 to close at \$1.11 yesterday.

It also reported 882,200 active users, yet, like Norwood, it is still very much a start-up, recording revenue of \$498,981 and a \$5.6 million loss for the year.

Flexiroam, one of WA's few local IPOs, has not had quite as much success, falling from 20¢ a share to 15¢ since listing in July, while Vonex just announced a planned backdoor listing.



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DIALLING IN PERTH'S PERIPHERY TELCOS

- Norwood Systems
- Vonex
- Ziptel
- MobiRoam
- MeU
- Dubber
- FlexiRoam

**Norwood Systems
chief Paul Ostergaard.**

Picture: Sharon Smith

