



**Islander February 2009**

## **Technology Update**

### **Suggestions on how to reduce your yacht's communication costs**

The downturn in the global economy has made everyone think twice about spending money. Aside from stopping spending on anything other than routine maintenance and safety, have you considered how you can save money?

Despite the current economic climate, yachts still have to communicate. Communication is almost as important to a yacht as the water it needs to keep it afloat. This year, it will be even more imperative for the owner and guests to keep in touch with their business dealings, and their brokers. Thus, communications are still essential. However, there are a number of ways, some of which you may not yet have considered, which will enable you to reduce the yacht's communication costs.

As a captain, imagine how popular this will make you, and as an owner, well, every little helps, as they say...

All you will need is an expert audit of your current communication tools, your needs, demands and cruising locations undertaken by a yacht communications expert. Following the audit, the yacht communications expert will be able to tell you what cost savings you could be making.

We will illustrate a few ideas in each area of communications. We will start with a top end broadband system such as VSAT. If you have a VSAT, you will have signed a contract for a period of 12, 24 or 36 months. In the small print of the contract you will find that if you want to terminate the contract you are liable to pay for the remaining months of the contract. The VSAT contract will also stipulate the service bandwidth contracted and locations in which you can use it.

#### **VSAT Suspensions and Downgrades**

Features to look for are: Does the contract allow you to suspend the service for a set period within each 12 month period and thus pay a lot less during the suspension period? Can you downgrade the contracted bandwidth to a cheaper service for a fixed period of time?

Your monthly charge may also be based on the service area you have initially selected. If your itinerary has changed, you may be able to pay for a reduced coverage.

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If you do not have the flexibility within your contract to make these simple changes, then you have unfortunately signed a contract with the wrong service provider, so it may be time for a change.

### **If you are with the wrong VSAT service provider**

If that is the case, you need to dig out your VSAT contract to find the expiry date. Unless you want to pay to get out of the contract, you will need to wait till the expiry date to then renew with a service provider that provides these flexibilities.

### **Can you get the same VSAT service for less?**

It's a competitive market place, so if you are happy with your current service provider, another suggestion worth trying, is to try and get the same Contract for less. Ask your existing supplier, and get a quote from another supplier for the same service. Swapping suppliers for the same service provider should not incur the termination "before end of contract" penalty.

### **VSAT Crew pre-pay cards**

It has become accepted in the super yacht market that, if the yacht has a VSAT, then the owner has committed to paying a regular monthly fee for, potentially, unlimited data. Thus, it can be used by the crew, at no cost, as a crew bonus to enhance crew retention. As has always been the case with the Inmarsat service, we also have VSAT Crew pre-pay VSAT cards. These could be offered to the crew for a nominal fee or as a bonus. Firstly, it puts a value on the VSAT bandwidth. Secondly, it could contribute towards the monthly costs. Thirdly, as it is not free, it will help manage the bandwidth.

### **Cheaper Inmarsat rates using Fleet Broadband**

Almost every large yacht we have ever worked on has an Inmarsat terminal. The primary reasons are for GMDSS carriage requirement, as a backup to the VSAT for out of coverage areas, and because a VSAT antenna is too large.

Fleet Broadband data rates (MPDS) are around 50% of the standard Fleet rates, thus a significant saving can be made. However, you need to convert or swap the Fleet terminal for a Fleet Broadband terminal. Look out for upgrade offers for the hardware.

### **Fleet Broadband Credit Control Tools and Firewall Rules**

Some airtime providers make the Fleet Broadband terminals significantly more controllable. The user can specify a maximum spend, and receive a warning when usage reaches that figure.



The configurable Firewall Rules allow restrictions to be placed on traffic. For example, usage can be limited to email only, with no web browsing or file transfer.

As already mentioned with VSAT, Inmarsat Crew pre-pay cards are also available for use with the Fleet Broadband terminals.

### **Reduce your GSM/3G/HSDPA Roaming**

As we all know, data roaming can be hugely expensive. This is a particular problem on yachts moving around the Mediterranean and cruising from one national service provider to another. When owners, guests and crew have become used to unlimited downloading of movies, music and games in their homes, the cost of downloading data abroad can come as a rude shock.

However, there are solutions. Firstly, it is now possible to have an unlimited national 3G data service for a fixed rate per month. This means the data communication costs are known, fixed and cheap when in the home network region. The problem occurs when moving from that home network (country) to another. The simple solution is to have similar, separate contracts for unlimited 3G data service at a fixed price per month for all the home service providers in all the regions the yacht cruises.... All you have to remember is to swap the SIM cards when crossing borders.

For example, it is possible to cruise from Cadiz to Trieste and pay only €270 per month for unlimited data downloads in Spain, France and Italy, plus all their islands. The cost of this service for a whole year equates to the cost of VSAT for one month.

“Still”, I hear you ask, “How can we make sure we don’t get into a situation where we start roaming by accident, by forgetting to swap the SIM cards?” This can be handled in two ways, either by placing roaming restrictions on the SIM cards, or by using a router that stops roaming on the SIM card in use, even if the SIM is open for roaming. It is also possible to use devices that handle multiple SIMs simultaneously.

In addition to all these self help ideas, the cost of roaming will be reduced in Europe again this summer. This is forecast to take place on 1<sup>st</sup> July this year, but it is still to be approved by national governments.

### **Service and usage monitoring and control**

Most of us probably have little or no idea of how much our cell phone calls are costing us over the period of a month. We run for a month, take a look at the bill, and then if we are happy with that, we tune our usage to be about the same, or a bit more or a bit less the following month. When running and managing a large yacht, this

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technique is clearly unacceptable as it is so imprecise. Again, there is a solution.

The solution is to use a Service Selector, or an Access Controller. All the data communications devices on the yacht are plugged into it. Therefore, all the data pipes from the communications devices, such as the VSAT, 3G router, Fleet Broadband and wi-fi go through it, as if it were a valve. The device allows you to easily select which device to use, controls who can use that device and for what, and measures the quantity of data flowing through it, thus allowing cost to be monitored.

So there are some useful tips. If you want to explore what you can do, please contact our award-winning Connect team on +34 971 702975 for help. We are the largest yacht communications provider in all areas of service with wide ranging expertise. Our audit service is free of charge.

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