



Islander June 2014

Technology Update

I would like to use this column to congratulate all those involved in the organisation of the Palma Superyacht Show and Boat Show. Considering the lack of international promotion it seems to have been a great success. All our international visitors enjoyed the Show and you really can't go wrong with blue sky and sunshine with yachts afloat against the backdrop of Palma old town.

Where could it go from here? We, as a company, would be thrilled for it to develop into the biggest superyacht spring show in the Med, just to save us travelling to all these other shows. It's about time for Palma to be "The Place" again.

So What's Appening with technology this month?

Well it's WhatsApp that has hit the news as it reached 500 million monthly active users who are sharing more than 700 million photos and 100 million videos per day. The mobile messaging service saw its fastest growth in markets such as Brazil, India, Mexico and Russia.



The company, was also acquired by Facebook for \$19 billion. Various commentators say it was clearly not worth \$19 billion so there must be something else behind this sale.

WhatsApp's status as the world's most popular mobile messaging app appears to be secure for the time being, despite impressive growth from rival services.

It has added 50 million users since February's announcement of the Facebook deal, and recently revealed that the service handled a record 64 billion messages in 24 hours. In January, WhatsApp co-founder and CEO Jan Koum said the company was processing 54 billion messages per day.

The success of these messaging apps is putting pressure on the SMS revenue of operators as consumers increasingly communicate using mobile internet or Wi-Fi connections.

Juniper Research recently forecast that instant messaging apps will account for 75% of all messaging traffic in 2018.

The report suggested that the additional functionality provided by IM messaging over SMS — such as the ability to send messages to multiple users, conduct group conversations and send stickers,

HEAD OFFICE

Palma de Mallorca, Spain

TEL +34 971 404 208

www.e3s.com

FAX +34 971 404 431

info@e3s.com



emoticons and images — will drive traffic volume for messaging apps.

WhatsApp will soon pose another threat to operators after announcing plans to launch a voice service in the second quarter of this year. Mobile operators still generate most of their revenues from providing traditional voice services.

Although WhatsApp is clearly on a roll!

Inmarsat to distribute Movies and TV from this summer

In early April Inmarsat announced that it has struck a five-year agreement with NT Digital Partners to distribute films, television programmes as well as sports and news content to commercial ships via satellite broadband, specifically over their new Global Xpress (GX) VSAT service.

The new service, called Fleet Media, is expected to be launched by July.

A monthly selection of Hollywood releases and TV packages will be sent to participating vessels over the Inmarsat network for 'off-line' viewing on PCs, laptops and tablets. The content will be securely downloaded and stored on the yacht's Inmarsat iFUSION box.

Fleet Media will be available via any Inmarsat broadband package and yacht owners will be able to select from multiple tiered offerings. Ship owners subscribing to Fleet Media will be able to take it with them when they upgrade from one broadband service to another (e.g. FleetBroadband to XpressLink or XpressLink to Global Xpress).

Inmarsat will be utilising network management tools and techniques to control the download and refresh of data to ensure that normal network efficiency and conditions are not degraded. Some of these will include the ability to transport low priority data during the periods when the network is underutilised.

The content packages will be created by NT Digital Partners, which is a joint venture between content agency Spafax and non-theatrical distributor Swank Motion Pictures. Spafax provides inflight entertainment for airlines including British Airways and Air Canada.



“Inmarsat is extremely excited by this agreement and the opportunities to bring more benefits to seafarers,” said Frank Coles,

HEAD OFFICE

Palma de Mallorca, Spain

TEL +34 971 404 208

www.e3s.com

FAX +34 971 404 431

info@e3s.com



president, Inmarsat Maritime. "This service continues our commitment to welfare at sea."

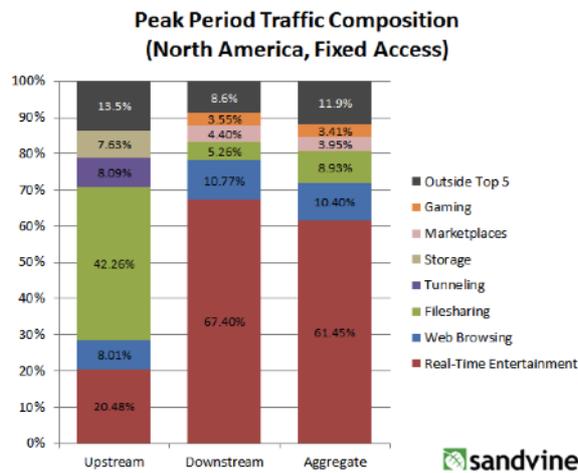
Inmarsat describes Fleet Media as a step-change improvement over traditional DVD distribution methods.

One of my colleagues is being briefed with the details of the offering at Inmarsat's Maritime Conference in Florida, as I write this, in the second week of May, so this is really hot off the press!

The service will be available to yachts via their Inmarsat GX Value Added Reseller (VAR), with the streamed content specifically licensed and selected for vessels at sea. Inmarsat have said that the pricing will be based on the content provided and the refresh rates of that content, not the volume that is downloaded.

Video will sink the internet

Those who attended our seminars at the start of the month learned about the difference between multicast, broadcast, unicast and streaming and how multicast and broadcasting needs to be used to download entertainment to save the complete congestion of the internet. Basically video will sink the internet, even with all the expansion taking place.



It's a recent fact from Netflix that 2% of internet users are occupying 32% of internet downloads. Currently in the USA at peak times 61.5% of the internet is being used for real-time entertainment.

Netflix is a service where you select a movie and download it to watch later or stream it and watch it immediately. This movie is for your use, or your family and friends, immediately. This is called unicast ie you request and movie and download it on a one-to-one basis. If everyone in the world did that the internet would be so congested it would come to a grinding halt.

However, new services, such as Fleet Media described above from Inmarsat, use multicasting. This is when the top 40 movies, for that month, are downloaded and stored on-board in quiet times when the internet is not being used. Another method involves broadcasting the movies to the yacht in quiet times. The on-board storage can be viewed as your own on-board cloud. Everyone on-

HEAD OFFICE

Palma de Mallorca, Spain

TEL +34 971 404 208

www.e3s.com

FAX +34 971 404 431

info@e3s.com



board then selects to watch movies from the on-board cloud movie library rather than directly over the internet as per the Netflix model. I have mentioned 40 top movies per month, but you could have 15,000 movies. You could even have a mix of live and cloud access. You will not need expensive satellite bandwidth, so cost saving, time saving and it helps keep the internet running.

European Parliament back roaming abolition

The European Parliament has voted in favour of the EC's reforms package which covers changes to current regulation for roaming charges. The plenary vote in the parliament was welcomed by EU digital commissioner Neelie Kroes. The package was proposed by the EC in September 2013.

"I promised to end roaming charges by the end of 2015, and now we are one step away from achieving that result," Kroes stated.

EU member states will now review the proposed regulation and the commission hopes to get final agreement by the end of 2014.

Roger Horner of e3 Systems

For further information on any of the above, please contact us.

email on info@e3s.com and website www.e3s.com

Tel: +34 971 404 208

HEAD OFFICE

Palma de Mallorca, Spain

TEL +34 971 404 208

www.e3s.com

FAX +34 971 404 431

info@e3s.com