



# Globe finds a future for 'old' technology

Globe Wireless has been expanding aggressively in the belief that broadband is not the answer for most owners

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Globe Wireless has long enjoyed a reputation for doing things differently and its purchase last month of shipboard email provider Rydex and hardware company SeaWave was, if not unconventional, then still a typically bold move.

Globe came to prominence by taking over the high frequency radio stations once regarded as obsolete and demonstrating that they could be used to transmit high-speed data to ships as efficiently as via satellite. The company has since evolved into a full service software, hardware, and airtime supplier under the ‘network of networks’ banner.

Chief executive Frank Coles says the motivations for buying SeaWave and Rydex were a simple matter of

following the business model rather than trying to reinvent it.

“When they came on the block, we looked at their customer base. Our model has been to add ships and then add dollars – Rydex has a lot of ships – and the companies that had owned Rydex had not done a lot with its product in terms of support,” he says.

Those 2,500 customers can now take advantage of Globe’s other airtime and software products, but Mr. Coles says there will be no subsuming into existing services and the platform will continue to be supported. Similarly, SeaWave’s business can be marketed to a new set of customers outside its traditional US domain, he believes.

In terms of what Globe’s customers are asking for, he observes that the strong freight markets have made it easier to sell to both owners and operators as there is more cash to spare, but the demand for communications and software is still something of a two-tier market.

Technical managers who are more focused on safety and regulations have traditionally looked for every system possible to service owners, but owners are moving more slowly

in the same direction. “The shipping market has made it easier for owners to spend money,” he says.

Globe now has “500 asset-owning and operating customers who are a cross section of the market”. They

are split fairly evenly between those who want software and those who want hardware systems, with tanker owners the most active buyers.

## Bandwidth question

But is the trend towards ever-higher bandwidth really what customers want in his experience? Fleet owners and managers might prefer an integrated suite of products but have tended to see cost as a barrier to taking a holistic approach to their IT products.

He agrees that shipping is “getting to the point where with broadband means everything is joined up and arguably the ship is just like the rest of the office network, but broadband services are just not cost-effective at the moment”.

Consider ships as floating trucks he says, and the demand for data promised by broadband is replaced by something more prosaic. “The fastest-growing demand we see is



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for anti-virus software to stop contagion from crew use of games, email, USB drives and CDs. It is very hard to keep a PC onboard clean and to get the updates installed”.

To this end, Globe deploys a team of 35 service engineers to ‘touch the ship’ and provide a physical support service, for while remote updating of software has become easier, maintenance of hardware still requires a visit.

Suggest to him that his answers are pointing the industry away from a broadband revolution in shipping, however many mini-Vsat systems or broadband systems are available, and his answer is surprising. “I think everybody is looking for it, but what it comes down to is do owners

need it, and I think the answer to that in most cases is absolutely not.”

He suggests that Inmarsat has found itself under pressure to bring forward the launch of Fleet Broadband when it would in reality have preferred to concentrate on pushing Fleet F-77 past the 10,000 active terminal mark.

### **Compliance**

Neither are any of the Vsat or Fleet systems fully GMDSS compliant, meaning that an owner will still need to buy Inmarsat-C, and Fleet Broadband should be considered as a heavyweight pay-as-you-go service rather than true broadband.

The problem for the rash of Vsat newcomers, he says, is one of cost effectiveness in a service that is not

always global and requires a heavyweight technical commitment by the owner.

“Only the specialists are going to pay for that kind of high data supply. Most ship-owners will balk at \$2,500 - \$3,000 per month when they just don’t need it.”

The road to bandwidth nirvana is paved with good intentions, but with the death of Broadband Maritime and Connexion by Boeing, he says the market is learning fast that broadband “sounds very sexy, but it is a very long way from reality”.