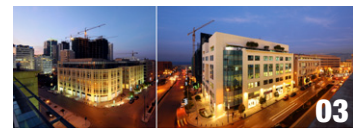




IPTV and Multimedia Solutions



**SOLIDERE OPERATOR
IN LEBANON**



**CASE STUDY: FAIRMONT
NILE CITY, CAIRO**

QUARTERLY NEWSLETTER | Jan-Mar 2012

Running on Solid Ground

Neos heads into 2012 in a perfect position to add major value to the hospitality and telco sectors



Hayssam
Serhan, PhD

CEO of Neos Interactive

With two decades of experience in the ICT domain, including 5 years working on streaming media and interactive applications, Dr Hayssam Serhan has a unique combination of expertise, quite unlike any other senior officer in the field. Having worked for many years in the presidential palace in Lebanon, then as technical director at Neos Interactive for two years, in May 2011, Dr Serhan was named CEO of Neos. Since then he has been working on building and managing multi-national teams and creating an “enabling” work environment. We asked Dr Serhan how his technical background acts as an advantage in his current position...

I understand the full life cycle in a project’s development. I used to conduct live demos and discussions with clients and I received a huge amount of feedback from our sales people in the field. We thus came to truly understand the different ways of working between the various chains and groups, who all need or want different feature sets and have different issues to deal with. The fact that I have been directly in contact with these people over past years has enabled me to rethink the strategy of Neos, keeping the customers at the

very heart of our concerns. Stability was a key issue for the people we spoke to, which is why I decided we should develop a system with fewer potential points of failure. Compared to other CEOs, I still am able to do product presentations myself, and can discuss directly with CTOs and CIOs about their strategy. This means they can always get an instant answer, and I am in a position to be able to counsel them seriously and immediately. This technical background is an advantage for a company like Neos where the competition is in technical advantages you will be able to develop at the lowest possible cost. ▶

Neos is able to compete not only with its technical advantage over its competitors but also on a pricing level

How would you best describe NEOS today?

Neos is running on solid ground with a vision towards Telco operators in addition to the well known hospitality sector, and now Neos is able to compete not only with its technical advantage over its competitors but also on a pricing level.

Which hotel installations are you most proud of?

Millennium Al Wahda in UAE and Solidere Operator in Lebanon. In the case of the massive Millennium project, we advised on what we

thought was needed in terms of network infrastructure, and I was very pleased that they followed all our suggestions. This is important, because if the infrastructure is not as it should be, you can run into a lot of problems. When the network was completed, we installed the hotel's 850 rooms and configured the hotel's four servers in around 16 days.

In the case of Solidere, this was an entirely new challenge for us, and it has been a total success. It is very different because the servers are miles from the users, and the same subscribers are utilising the system on a daily basis, not like a guest coming for just a few days. People using the systems daily have the time to discover all the intricacies therein and can learn how to plug in and get content from their various media devices onto the TV. The system is stable, despite the fact it was implemented after only nine months' development, in order to replace the city's previous one, which had a number of annoying bugs. We built an entirely new set of devices, and the STB will run even if the middleware goes down.

You were in competition for this project with some of the world's biggest STB manufacturers. Why was your offer selected above the others?

As a CTO I was completely aware of all problems Telco operators were facing with their IPTV kit. So I decided to develop a new solution that would integrate all known important features that residential area users are accustomed to having, and implemented on top of them new additional features such as recording one TV channel while watching another; decreasing the number of single points of failure that could affect a big number of users through making those STBs less dependent on the Middleware servers structure; and giving the Operator full flexibility over their application interface by

equipping them with the state of the art back-office application that gives them the full power of editing their interfaces, adding and updating a whole complete custom advertisement section, message management and advanced support interface.

How does this give you more of an "edge" when working with hotel chains?

The fact that we offer a high resolution and state-of-the-art user interface is a big plus. The UI is fully customisable and is able to carry advertising.

While we have a 24/7 friendly support team, they have hardly any issues to deal with as the system has fewer single points of failure, and we are able to integrate different interfaces into one single STB which will lower the number of external devices and RCs to only one. These points give us an edge over our competitors.

You are working towards more actively supporting HTNG... Why so?

We believe that HTNG does make a big influence across the whole sector. All their studies done are based on collaboration between Hotel Management, Interactive System providers and TV manufacturers. I believe Neos will not only greatly benefit from this synergy, but can also contribute a great deal as well.

What is your "vision" for the future of NEOS?

2012 will be the successful year for Neos after all the 'hidden evolution' we have been preparing during 2011. Neos will grow to be one of the biggest competitors in both Telco and Hospitality sectors.

We will have more presence in Europe and some of the Gulf and North African markets in 2012 with a complete portfolio going from STBs through Middleware to IPTV Streamers, Digital Signage and OTT systems.

FutureProof Technology in The Historic Heart of Lebanon

Neos equips residents with IPTV STBs in the Beirut Central District - via the Solidere Project

At the heart of Lebanon's capital, Beirut Central District (BCD) is an area thousands of years old, traditionally a focus of business, finance, culture and leisure. Its reconstruction has constituted one of the most ambitious contemporary urban developments in the region. Solidere, The Lebanese Company for the Development and Reconstruction of Beirut Central District s.a.l., was incorporated as a Lebanese joint-stock company on May 5, 1994. We asked Solidere Broadband Network Operations Manager Samer Ayoub to give us a little more background to the project...

Solidere BBN offers BCD residents, businesses and corporations services over a privately built "Fibre to the Building" (FTTB) network. These services include broadband Internet, IPTV, VPN, and other services that require high and reliable bandwidth.

Solidere was the first area in Lebanon to have a fibre optic backbone network. As a matter of fact, the original IPTV network installed five years ago was the first of its kind. The IPTV platform was originally designed and built by a leading global IT and communications company. TV signals are received via satellite at a single centralised head end, and distributed via the IP network locally. Over the past 4 years, BBN however faced several problems with the existing IPTV platform, and it was time to change for the better. This is where Neos came into play. We do all kinds of services over our network, but IPTV is one of the main ones.

Around three thousand people are living in this special zone, and this is expected to grow to about five thousand in the next three years. Currently, among them, there are about 500 active IPTV customers, and they are gradually being transitioned to the Neos system. All new arrivals are being equipped with the Neos system, and little by little, the users of the previous system are swapping over.

As mentioned, you were already working with another provider before. Why did you want to change?

The old IPTV middleware was very costly to maintain, and had several bugs that were not addressed. We wanted a simpler middleware that was stable and more affordable to maintain. The

main reason however was the actual Set-Top-Box (STB), which had many limitations and minimal functionality. The cost of the STB was also too high. There were many bugs with the STB software that were not addressed. We wanted a more affordable STB that was user friendly, and gave users a more enjoyable TV watching experience.

How did the bidding process take place?

We spoke with several providers, and looked at around ten different STBs. We assessed the cost, the features, the support the



The performance and quality of Neos' STB exceeded those of others.

companies would provide, and the ability to customize the STB to our needs.

So what, in technical terms, made the NEOS solution different to the others that were offered?

Neos offered the best overall cost for the solution, including replacement of middleware and STBs. Neos' professional team was very attentive to our needs, was willing to implement all our requests and to customize the STB to Solidere BBN's needs. The performance and quality of Neos' STB exceeded those of others. Early demos and trials of Neos STB exceeded our expectations compared to others. The Neos team was also able to quickly implement and demonstrate changes to the STB.

Now it is installed, what are the preliminary results?

Very positive. As mentioned, the old system had problems. For example the set top box would freeze or the whole system would crash and users would quite frequently have to reboot. That was one of the main drivers for us to migrate to a new system. Of the people who have moved over to the Neos system, I

have to say so far there have been no complaints at all. The Neos system and STBs are stable, and there are no reports of crashes or freezes as with the old STB/middleware. Customers still using the old STB are looking forward to getting the new STB.

How are rollouts planned?

We plan to replace STBs for our existing customer base, and for all future deployments. The BCD area will be expanding into new developments, thus increasing our potential customer base.

How would you describe relations with Neos? They have been traditionally known in the hotel sphere... how will this translate to helping them in this respect?

Neos has proven their ability to implement an entire system from scratch. The transition was very seamless and Neos' support team has been outstanding throughout the implementation and transition process. The size of Solidere's residential project is approximately 3,000 tenants, and expected to grow to more than 5,000, far exceeding the size of any hotel. Implementing a similar solution for hotels will be a piece of cake for Neos.

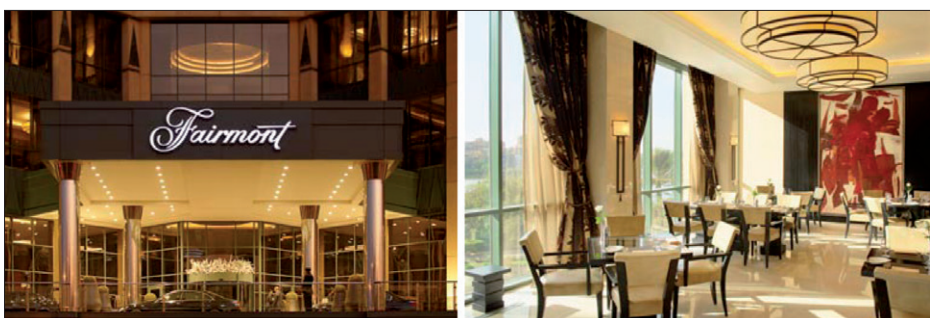
Working Together for Best in Class In-Room Entertainment

NEOS works hand in hand with the Fairmont Nile City Hotel to create a best-in-class experience



Mostafa
Elwan

Director of Information
Technology,
The Fairmont Nile City



The Fairmont Nile City, Cairo, is a 566-room luxurious corporate business hotel, also accommodating leisure travellers. It was opened in October 2009. Its Director of Information Technology, Mostafa Elwan, talks to us about his “partnership” with NEOS.

Your hotel offers a “best in class” experience in many ways. The in-room technologies are a key element in this recipe. How has NEOS helped you create this experience?

The interactive TV facility is something that luxurious hotel guests expect to have. So it is essential to have such added value. We have to meet their needs and expectations.

Secondly, the facility itself gives the guests an opportunity to view their bills and see any updates on them. There is a personal touch, as when the guest arrives in the room they have a personalised welcome message. In some cases, we use the system to send some kind of message to the guest in their rooms. The music library is vast, with a very broad choice of musical styles and tastes – to suit

all guests; and movies are updated regularly.

Just how important is this “entertainment experience” as part of the overall recipe?

It is essential. It is part of the standard of first class hotels such as the Fairmont to offer such service.

When you were looking for a service provider for your in-room entertainment, what were your main requirements?

Number one was after sales support. New technology is useless if it doesn't have the full backup support of the supplying company. This was the most important factor for us. The key was that the technical and management teams at NEOS were up to our business standards and expectations. ▶

CASE STUDY



© Fairmont Nile City

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How did the selection process take place?

Firstly we collected data about the provider profiles and we collected feedback from others who had dealt with that provider. And then we spoke with the teams. I had the time to speak with Hayssam, the man in charge of the company, and given his knowledge and understanding of our needs, we decided to work with NEOS.

Was the fact that Hayssam, the President of NEOS, has a technical background just like yourself very useful in negotiations?

Definitely. When you speak with someone in the management team, and in addition to his managerial skills, he understands the technological issues at stake as well, you feel secure... you feel much more relieved that your technical requirements will be met.

And it saves a lot of time, because if you are speaking to someone who is "just" a manager about technical issues, he will have to consult with his technical team. But when he has the technical ability, he can instantly supply an answer to any of our issues at stake.

Tell me more about the key features of your in-room entertainment system...

The key feature is the Video on Demand, where the guest can enjoy watching a movie and stop it if he receives a phone call or someone knocks on the door... then he can pick up where he left off. There is a great variety of movies, and as I mentioned earlier, the choice of music styles and titles is excellent.

You mentioned after sales service as a key issue. Why is it so important?

All systems, no matter who makes them, have failure points somewhere. What is important is to shorten any downtime, and in this respect, NEOS are always available by email or telephone, or via remote connection support. For the time being, we have not faced any serious or critical problems, and any minor issues we had were dealt with promptly and efficiently.

How would you describe your overall relations with NEOS?

So good! We have such a good relationship... or I would rather call it a partnership. They are our partners to help us better deliver services to our guests.

NEOS Interactive Ltd Newsletter / #01 / February 2012

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