

Vodafone

From Wikipedia, the free encyclopedia. Retrieved February 5, 2012 from <http://en.wikipedia.org/wiki/Vodafone>

Vodafone Group Plc ([LSE: VOD](#), [NASDAQ: VOD](#)) is a [British](#) telecommunications company headquartered in [London, United Kingdom](#).^[2] It is the world's largest mobile telecommunications company measured by revenues and the [world's second-largest](#) measured by subscribers (behind [China Mobile](#)), with over 391 million subscribers as of September 2011.^{[3][4][5]}

Vodafone owns and operates networks in over 30 countries and has partner networks in over 40 additional countries.^[6] It owns 45% of [Verizon Wireless](#), the largest mobile telecommunications company in the [United States](#) measured by subscribers.^{[7][8]} The name Vodafone comes from **voice data fone**, chosen by the company to "reflect the provision of voice and data services over mobile phones".^[9]

Vodafone has a primary listing on the [London Stock Exchange](#) and is a constituent of the [FTSE 100 Index](#). It had a [market capitalisation](#) of approximately £89.4 billion as of 23 December 2011, the second-largest of any company listed on the London Stock Exchange.^[10] It has a secondary listing on [NASDAQ](#).

History

20th century

Vodafone's original logo, used until the introduction of the speechmark logo in 1997

Vodafone Group Plc



vodafone

Type	Public limited company
Traded as	LSE: VOD NASDAQ: VOD
Industry	Telecommunications
Predecessor(s)	Racal Telecom (1983 to 1991)
Founded	1991
Headquarters	London, United Kingdom
Area served	Worldwide
Key people	Gerard Kleisterlee (Chairman) Vittorio Colao (CEO)
Products	Fixed line and mobile telephony , Internet services, digital television
Revenue	▲£45.88 billion (2011) ^[1]
Operating income	▼£5.596 billion (2011) ^[1]
Profit	▼£7.968 billion (2011) ^[1]
Total assets	▼£151.22 billion (2011) ^[1]
Total equity	▼£87.55 billion (2011) ^[1]
Employees	83,862 (March 2011) ^[1]
Subsidiaries	List[show]
Website	www.vodafone.com

VODAFONE•

Part of the Vodafone campus in [Newbury, Berkshire](#). In 1980, [Sir Ernest Harrison OBE](#), chairman of [Racal Electronics plc's](#), the UK's largest maker of military radio technology, agreed a deal with [Lord Weinstock](#) of [General Electric Company plc](#) to allow Racal to access some of GEC's tactical battlefield radio technology. Briefing the head of Racal's military radio division [Gerry Whent](#) to drive the company into commercial mobile radio, Whent visited GE's factory in [Virginia](#), USA in 1980.^[11]



In 1982, Racal's newly formed Racal Strategic Radio Ltd subsidiary won one of two UK cellular telephone network licences, with the other going to [British Telecom](#)^{[12][13]} The network, known as Racal Vodafone, was 80% owned by Racal, with [Millicom](#) holding 15% and [Hambros Technology Trust](#) 5%. Vodafone was launched on 1 January 1985.^[14] Racal Strategic Radio was renamed Racal Telecommunications Group Limited in 1985.^[13] On 29 December 1986, Racal Electronics bought out the minority shareholders of Vodafone for GB£110 million.^[15] Under stock market pressure to realise full value for shareholders (the mobile unit was being valued at the same amount as the whole Racal group), in September 1988, the company was again renamed Racal Telecom, and on 26 October 1988, Racal Electronics floated 20% of the company. The flotation valued Racal Telecom at GB£1.7 [billion](#).^[16] On 16 September 1991, Racal Telecom was demerged from Racal Electronics as **Vodafone Group**.^[17]

In July 1996, Vodafone acquired the two thirds of Talkland it did not already own for £30.6 million.^[18] On 19 November 1996, in a defensive move, Vodafone purchased [Peoples Phone](#) for £77 million, a 181 store chain whose customers were overwhelmingly using Vodafone's network.^[19] In a similar move the company acquired the 80% of Astec Communications that it did not own, a service provider with 21 stores.^[20]

In 1997, Vodafone introduced its *Speechmark* logo, composed of a [quotation mark](#) in a circle, with the O's in the Vodafone logotype representing opening and closing quotation marks and suggesting conversation.

On 29 June 1999, Vodafone completed its purchase of [AirTouch Communications, Inc.](#) and changed its name to **Vodafone Airtouch plc**. The merged company commenced trading on 30 June 1999.^[21] In order to gain anti-trust approval for the merger, Vodafone sold its 17.2% stake in [E-Plus Mobilfunk](#).^[22] The acquisition gave Vodafone a 35% share of [Mannesmann](#), owner of the largest German mobile network.

On 21 September 1999, Vodafone agreed to merge its U.S. wireless assets with those of [Bell Atlantic Corp](#) to form [Verizon Wireless](#).^[23] The merger was completed on 4 April 2000. In November 1999, Vodafone made an unsolicited bid for Mannesmann, which was rejected. Vodafone's interest in Mannesmann had been increased by the latter purchase of [Orange](#), the UK mobile operator.^[24] Chris Gent would later say Mannesmann's move into the UK broke a "gentleman's agreement" not to compete in each other's home territory.^[25] The hostile takeover provoked strong protest in Germany, and a "titanic struggle" which saw Mannesmann resist

Vodafone's efforts. However, on 3 February 2000, the Mannesmann board agreed to an increased offer of £112bn, then the largest corporate merger ever.^[25] The EU approved the merger in April 2000. The conglomerate was subsequently broken up and all manufacturing related operations sold off.

21st century

The headquarters of [Vodafone Romania](#) in [Bucharest](#).

On 28 July 2000, the Company reverted to its former name, **Vodafone Group plc**. In April 2001, the first [3G](#) voice call was made on Vodafone United Kingdom's 3G network.



In 2001, the Company acquired [Eircell](#), the largest wireless communications company in the Republic of Ireland, from [eircom](#). Eircell was subsequently rebranded as [Vodafone Ireland](#). Vodafone then went on to acquire Japan's third-largest mobile operator J-Phone, which had introduced camera phones first in Japan.

On 17 December 2001, Vodafone introduced the concept of "Partner Networks", by signing [TDC Mobil](#) of Denmark. The new concept involved the introduction of Vodafone international services to the local market, without the need of investment by Vodafone. The concept would be used to extend the Vodafone brand and services into markets where it does not have stakes in local operators. Vodafone services would be marketed under the dual-brand scheme, where the Vodafone brand is added at the end of the local brand. (i.e., TDC Mobil-Vodafone etc.)

In 2007, Vodafone entered into a title sponsorship deal with the [McLaren](#) Formula One team, which has since traded as *Vodafone McLaren Mercedes*.

In May 2011, Vodafone Group Plc bought the rest of the shares of [Vodafone Essar](#) from Essar Group Ltd with value of \$5 billion and became a solely owned of Vodafone Essar.^[26]

Operations

Africa and the Middle East

Egypt

In November 1998, Vodafone Egypt network went live under the name [ClickGSM](#).

On 8 November 2006, the Company announced a deal with [Telecom Egypt](#), resulting in further co-operation in the Egyptian market, and increasing its stake in [Vodafone Egypt](#). After the deal, [Vodafone Egypt](#) was 55% owned by the group, while the remaining 45% was owned by [Telecom Egypt](#).

[Networks in the Middle East and Africa](#)

	Majority-owned		Minority-owned	Partner networks
	DR Congo ¹	Egypt	Kenya	Kuwait
	Ghana	Lesotho ¹		Bahrain
	Mozambique ¹	Qatar ²		Libya
	Tanzania ¹	South Africa ¹		UAE

¹Majority stakes held through majority-owned Vodacom Group

²Effective ownership is not majority, but full control exercised by the group.

On 28 January 2011, Vodafone complied with Egyptian government instructions to suspend Internet service "in selected areas" during a period of [anti-Mubarak protests](#). The company issued a statement that "Under Egyptian legislation, the authorities have the right to issue such an order and we are obliged to comply with it."^{[27][28]}

Vodafone also received public and media criticism for allowing the authorities to send mass pro-government messages via SMS over their network during the protests. One such message requested that "honest and loyal men" should "confront the traitors and criminals". Vodafone later issued a statement asserting that they had no choice but to allow the messages to be broadcast, and that they had complained to the Egyptian authorities about the practice.^[29]

Kuwait

On 18 September 2002, Vodafone signed a Partner Network Agreement with MTC group of [Kuwait](#). The agreement involved the rebranding of MTC to [MTC-Vodafone](#). On 29 December 2003, Vodafone signed another Partner Network Agreement with Kuwait's MTC group. The second agreement involved co-operation in Bahrain and the branding of the network as [MTC-Vodafone](#).

South Africa (Vodacom)

On 3 November 2004, the Company announced that its South African affiliate [Vodacom](#) had agreed to introduce Vodafone's international services, such as [Vodafone live!](#) and partner agreements, to its local market.

In November 2005, Vodafone announced that it was in exclusive talks to buy a 15% stake of VenFin in [Vodacom](#) Group, reaching agreement the following day. Vodafone and [Telkom](#) then had a 50% stake each in [Vodacom](#). Vodafone now owns 65% of Vodacom after purchasing a 15% stake from Telkom.^[30]

On 9 October 2008, the company offered to acquire an additional 15 per cent stake in [Vodacom](#) group from [Telkom](#). The finalised details of the agreement were announced on 6 November 2008. The agreement called for [Telkom](#) to sell 15 per cent of its 50 per cent stake in [Vodacom](#) to the group, and demerge the other 35 per cent to its shareholder. Meanwhile, Vodafone has agreed to make [Vodacom](#) its exclusive sub-Saharan Africa investment vehicle, as well as continuing to maintain the visibility of the [Vodacom](#) brand. The transaction is closed in May/June 2009.

On 18 May 2009, [Vodacom](#) entered the [JSE Limited](#) stock exchange in South Africa after Vodafone increased its stake by 15% to 65% to take a majority holding, despite disputes by local trade unions.

Qatar

In December 2007, a Vodafone Group-led consortium was awarded the second mobile phone licence in Qatar under the name "Vodafone Qatar". Vodafone Qatar is located at [QSTP](#)

Ghana

On 3 July 2008, Vodafone agreed to acquire a 70% stake in [Ghana Telecom](#) for \$900 million. The acquisition was consummated on 17 August 2008. The same group-led consortium won the second fixed-line licence in Qatar on 15 September 2008.

On 15 April 2009, [Ghana Telecom](#), along with its mobile subsidiary [onetouch](#), was rebranded as [Vodafone Ghana](#).

U.A.E.

On 28 January 2009, the group announced a partner network agreement with [Du](#), the second-largest operator of the United Arab Emirates. The agreement involved co-operation on international clients, handset procurement, mobile broadband etc.

Libya

On 24 February 2010, the group signed a partner network agreement with the second-largest operator in Libya, [al Madar](#).

The Americas

For more information, see [Verizon Wireless](#).

[Networks in the Americas](#)

Minority-owned	Partner networks			
USA ¹	Anguilla ²	Antigua & Barbuda ²	Aruba ²	Barbados ²
	Bermuda ²	Bonaire ²	Canada ³	Cayman Islands ²
	Chile ⁴	Curaçao ²	Dominica ²	French West Indies ²
	Grenada ²	Guyana ²	Haiti ²	Honduras ²
	Jamaica ²	Panama ²	St. Kitts & Nevis ²	St. Lucia ²
	St. Vincent & the Grenadines ²	Trinidad & Tobago ²	Turk & Caicos ²	

¹ – [Verizon Wireless](#)

² – [Digicel](#) (Partner)

³ – [America Movil](#) (Partner in some countries)

⁴ – [Entel PCS](#) (Partner)

In the United States, Vodafone owns 45% of [Verizon Wireless](#), the country's largest mobile carrier after their merger with [Alltel](#). The percentage of the customer base, and revenues of Verizon Wireless that Vodafone consolidates is slightly lower, since some Verizon Wireless subsidiaries have minority investors. (Hence the exact percentages that Vodafone and Verizon report vary from period to period: in June 2006 Vodafone reported that Verizon Wireless owned 98.6% of its customers at that date.) Before this joint venture was formed, Vodafone merged with [AirTouch Communications](#) of the U.S. in June 1999, and changed its name to Vodafone

Airtouch plc. In September 1999, Vodafone Airtouch announced a \$70-billion joint venture with [Bell Atlantic](#) Corp. Verizon Wireless was composed of Bell Atlantic's and Vodafone AirTouch's U.S. wireless assets, and began operations on 4 April 2000. However, [Verizon Communications](#) – the name Bell Atlantic took upon its June 30, 2000 buyout of GTE – owns a majority of Verizon Wireless, and Vodafone's branding is not used, nor is the CDMA network compatible with GSM phones. This relationship has been quite profitable for Vodafone, but there have historically been three problems with it. The first is the above-mentioned incompatibility with the GSM 900/1800 MHz standard used by Vodafone's other networks, and the consequent difficulty of offering roaming between Vodafone's U.S. and other networks. The other two stem from the fact that Vodafone does not have management control over Verizon Wireless. Vodafone is thus unable to use the Vodafone brand for its U.S. operations, and (perhaps more importantly) has no control of [dividend policy](#) at Verizon Wireless, and is therefore entirely at the mercy of Verizon management with respect to cash flow from Verizon Wireless.

Perhaps as a consequence of these reasons, Vodafone made a bid for the entirety of [AT&T Wireless](#) when that company was for sale in 2004. Had this bid been successful, Vodafone would presumably have sold its stake in Verizon Wireless, and then rebranded the resultant business as Vodafone. However, Cingular Wireless, at the time a joint venture of SBC Communications and BellSouth (both now part of [AT&T](#)), ultimately outbid Vodafone and took control of AT&T Wireless (the combined wireless carrier is now [AT&T Mobility](#)), and Vodafone's relationship with Verizon has continued.

Early in 2006, Verizon re-iterated their desire to buy out the remaining 45% of stock of Verizon Wireless from Vodafone Group. Vodafone has also repeatedly indicated that it would be willing to buy out Verizon's stake.

Verizon has announced that its 4G data network will be LTE, which is considered part of the [GSM](#) path and not the [CDMA2000](#) path Verizon has been using; it has been suggested^{[[who?](#)]} this is to appease Vodafone, which uses GSM on its own networks.

On 11 May 2008, Vodafone sealed a trade agreement with the Chilean [Entel PCS](#) Chile, in which Entel PCS has access to the equipment and international services of Vodafone, and Vodafone will be one of the trademarks of Entel for the wireless business. This step will give the Vodafone brand access to a market of over 15 million people, currently divided among three companies: [Telefonica Movistar](#), [Claro](#), and [Entel PCS](#).

Asia-Pacific

[Networks in Asia-Pacific](#)

Majority-owned	Minority-owned	Partner networks	
Australia	China mainland	Afghanistan	Armenia
India	Fiji	Azerbaijan	Hong Kong
New Zealand	Japan	Malaysia	
		Samoa	Singapore

Sri Lanka Taiwan
Thailand Turkmenistan
Uzbekistan

In July 1993, BellSouth New Zealand's network went live, and October 1993 [Vodafone Australia](#)'s network also went live. This was followed in July 1994 by Vodafone Fiji's network going live.

In November 1998, Vodafone purchased [BellSouth](#) New Zealand, which later became [Vodafone New Zealand](#). In 1999, J-Phone launched the J-sky mobile internet service in response to [DoCoMo](#)'s [i-Mode](#) service. In December 2002 J-Phone's [3G](#) network went live.

On 1 October 2003, [J-Phone](#) became '[Vodafone](#)', and J-Phone's mobile internet service J-Sky became [Vodafone Live!](#). On 3 November 2003, Singapore became a part of the community as [M1](#) was signed as partner network.

In December 2004, Vodafone Australia agreed to deploy high-speed [MPLS](#) backbone network built by [Lucent Worldwide Services](#) using [Juniper](#) hardware.^[31]

Then in April 2005, [SmarTone](#) changed the name of its brand to '[SmarTone-Vodafone](#)', after both companies signed a Partner Network Agreement. In August 2005, Vodafone launched 3G technology in New Zealand, and in October 2005, it began launching 3G technology in Australia. On 28 October 2005, the Company announced the acquisition of a 10 per cent stake in India's [Bharti Televentures](#), which operates the largest mobile phone network in India under the brand name [AirTel](#). On 22 December 2005, the Company announced the completion of the acquisition of the 10% stake in [Bharti Televentures](#) of India.

The Vodafone building on Fanshawe Street, corner Halsey street, looking northeast, Auckland City, New Zealand.

In January 2006, Indonesia, Malaysia, and Sri Lanka were added to the Vodafone footprint as Vodafone Group signed a partner network agreement with [Telekom Malaysia](#). On 17 March 2006, Vodafone announced an agreement to sell all its interest in [Vodafone Japan](#) to [SoftBank](#) for £8.9 billion, of which £6.8 billion will be received in cash on closing of deal. Vodafone Japan later changed its name to [SoftBank Mobile](#). On 9 October 2006, [Vodafone New Zealand](#) bought New Zealand's 3rd largest [internet service provider](#), [iHug](#), and on 1 November 2006, [Vodafone Australia](#) signed the [Australian Football League](#) (AFL)'s biggest individual club sponsorship deal with the [Brisbane Lions](#) for seasons 2007, 2008 and 2009.



On 6 February 2007, along with the partnership with [Digicel](#) Caribbean (see below), Samoa was added as a Partner Market. Then on 11 February 2007, the Company agreed to acquire a controlling interest of 67% in [Hutchison Essar Limited](#) for US\$11.1 billion. At the same time, it

agreed to sell back 5.6% of its [AirTel](#) stake back to the Mittals. Vodafone would retain a 4.4% stake in [AirTel](#). On 21 September 2007, [Hutch](#) was rebranded to [Vodafone](#) in India.

On 6 February 2007, Vodafone Group signed a three-year partnership agreement with [Digicel](#) Group. The agreement, which includes Digicel's sister operation in Samoa, will result to the offering of new roaming capabilities. The two groups will also become preferred roaming partners of each other. Along with Digicel's markets, the Vodafone brand is now present in 81 countries, regions, and territories. What is interesting to note, is that as well as being partners, [Digicel](#) and Vodafone are also rival operators in Fiji, where *Digicel Fiji* recently^[when?] launched, and Vodafone owns a minority (49%) stake in *Vodafone Fiji*.

On 10 February 2008, Vodafone announced the launching of M-Paisa mobile money transfer service on [Roshan's](#) (Afghanistan's largest GSM operator) network: Afghanistan was added to the Vodafone footprint.

On 5 September 2008, Vodafone purchased Australia's largest bricks and mortar mobile phone retailer [Crazy John's](#) adding 115 retail stores to its local operations.^[32]

On 9 February 2009, Vodafone Australia announced a merger with 3/Hutchison via a joint venture company VHA Pty Ltd, which would offer products under the Vodafone brand. [dtac](#) in Thailand is signed as a partner network of the Group on 25 March 2009.

On 19 June 2009, Vodafone-Hutchison Australia (VHA) announced the end of its outsourcing of retail operations. VHA committed to buying back and managing its entire retail operation, including 208 Vodafone-branded retail outlets Australia-wide. This project was slated to be completed by 1 September 2009.

On 31 August 2009, VHA enabled an extended 900 MHz 3G UMTS network which functions outside their 2100mhz 3G network, boosting Vodafone's 3G population coverage from around 8% to around 94% on dual-band 900/2100mhz 3G UMTS devices.

[Nar Mobile](#) in Azerbaijan was signed as a Partner Network on 22 July 2009, while [Chunghwa Telecom](#) of Taiwan was signed on 12 November 2009.

Europe

[Networks in Europe](#)

Majority-owned	Minority-owned	Partner networks	
Albania	France	Austria	Belgium
Czech Republic		Bulgaria	Channel Islands
Germany		Croatia	Cyprus
Greece		Denmark	Estonia

Hungary	Finland	Faroe Islands
Ireland	Iceland	Latvia
Italy	Lithuania	Luxembourg
Malta	Rep. of Macedonia	Norway
Netherlands	Russia	Serbia
North Cyprus^[33]	Slovenia	Sweden
Portugal	Switzerland	Ukraine
Romania		
Spain		
Turkey		
UK		

In February 2002, Radiolinja of Finland joined as a Partner Network. Radiolinja later changed its name to [Elisa](#). Later that year, the Company rebranded Japan's J-sky mobile internet service as [Vodafone live!](#), and on 3 December 2002, the Vodafone brand was introduced in the Estonian market following the signing of a Partner Network Agreement with Radiolinja (Eesti). Radiolinja (Eesti) later changed its name to Elisa.

On 7 January 2003, the Company signed a group-wide Partner agreement with [mobikom Austria](#). As a result, Austria, Croatia, and Slovenia were added to the community. In April 2003, [Og Vodafone](#) was introduced in the Icelandic market, and in May 2003, [Omnitel](#) (Omnitel Pronto-Italia) was rebranded [Vodafone Italy](#). On 21 July 2003, Lithuania was added to the community, with the signing of a Partner Network agreement with Bitė.

In February 2004, Vodafone signed a Partner Network Agreement with Luxembourg's LuxGSM, and a Partner Network Agreement with [Cyta](#) of Cyprus. Cyta agreed to rename its mobile phone operations to Cytamobile-Vodafone. In April 2004, the Company purchased Singlepoint airtime provider from John Caudwell (Caudwell Group), and approx 1.5 million customers onto its base for £405million, adding sites in Stoke on Trent (England), to existing sites in Newbury (HQ), Birmingham, Warrington and Banbury. In November 2004, Vodafone introduced [3G](#) services into Europe.

In June 2005, the Company increased its participation in Romania's [Connex](#) to 99%, and also bought the Czech mobile operator Oskar. On 1 July 2005, Oskar of the Czech Republic was rebranded as Oskar-Vodafone. Later that year, on 17 October 2005, [Vodafone Portugal](#) launched a revised logo, using new text designed by [Dalton Maag](#), and a 3D version of the Speechmark logo, but still retaining a red background and white writing (or vice versa). Also, various

operating companies started to drop the use of the [SIM card](#) pattern in the company logo. (The rebranding of Oskar-Vodafone and Connex-Vodafone also does not use the SIM card pattern.) A custom typeface by [Dalton Maag](#) (based on their font family InterFace) formed part of the new identity.

On 28 October 2005, [Connex](#) in Romania was rebranded as Connex-Vodafone, and on 31 October 2005, the Company reached an agreement to sell Vodafone Sweden to [Telenor](#) for approximately €1 billion. After the sale, Vodafone Sweden became a Partner Network. In December 2005, Vodafone won an auction to buy Turkey's second-largest mobile phone company, [Telsim](#), for US\$4.5 billion.^[34] In December 2005, [Vodafone Spain](#) became the second member of the Group to adopt the revised logo: it was phased in over the following six months in other countries.

In 2006, the Company rebranded its Stoke-on-Trent site as Stoke Premier Centre, a centre of expertise for the company dealing with Customer Care for its higher value customers, technical support, sales and credit control. All cancellations and upgrades started to be dealt with by this call centre. On 5 January 2006, Vodafone announced the completion of the sale of [Vodafone Sweden](#) to [Telenor](#). On February 2006, the Company closed its Birmingham Call Centre. On 1 February 2006, Oskar Vodafone became [Vodafone Czech Republic](#), adopting the revised logo, and on 22 February 2006, the Company announced that it was extending its footprint to Bulgaria with the signing of Partner Network Agreement with [Mobilitel](#), which is part of [mobilkom Austria](#) group.

Vodafone HQ in Ireland at Central Park,
Leopardstown Rd.

In April 2006, the Company announced that it had signed an extension to its Partner Network Agreement with BITE Group, enabling its Latvian subsidiary "BITE Latvija" to become the latest member of Vodafone's global partner community. Also in April 2006, [Vodafone Sweden](#) changed its name to Telenor Sverige AB, and Connex-Vodafone became [Vodafone Romania](#), also adopting the new logo. On 30 May 2006, Vodafone announced the then biggest loss in British corporate history (£14.9 billion), and plans to cut 400 jobs; it reported one-off costs of £23.5 billion due to the revaluation of its



[Mannesmann](#) subsidiary. On 24 July 2006, the respected head of Vodafone Europe, [Bill Morrow](#), quit unexpectedly,^[35] and on 25 August 2006, the Company announced the sale of its 25% stake in Belgium's [Proximus](#) for €2 billion. After the deal, Proximus was still part of the community as a Partner Network. On 5 October 2006, Vodafone announced the first single brand partnership with [Og Vodafone](#) which would operate under the name [Vodafone Iceland](#), and on 19 December 2006, the Company announced the sale of its 25% stake in Switzerland's [Swisscom](#) for CHF4.25 billion (£1.8 billion)., After the deal, Swisscom would still be part of the community as a Partner Network. Finally in December 2006, the Company completed the acquisition of

Aspective, an enterprise applications systems integrator in the UK, signalling Vodafone's intent to grow a significant presence and revenues in the [information and communication technologies](#) (ICT) marketplace.

Vodafone Lion of Munich's Löwenparade
Early in January 2007, Telsim in Turkey adopted Vodafone dual branding as [Telsim Vodafone](#), and on 1 April 2007, [Telsim Vodafone](#) Turkey dropped its original brand and became [Vodafone Turkey](#). In addition, [Vodafone Turkey](#) also gives service in Northern Cyprus. On 1 May 2007, Vodafone added Jersey and Guernsey to the community, as Airtel was signed as Partner Network in both [crown dependencies](#). In June 2007, the **Vodafone live!** mobile internet portal in the UK was relaunched. Front page was now charged for, and previously "bundled" data allowance was removed from existing contract terms.^[36] All users were given access to the "full" web rather than a ['Walled Garden'](#), and Vodafone became the first mobile network to focus an entire media campaign on its newly launched mobile internet portal in the UK.^[37] On 1 August 2007, [Vodafone Portugal](#) launched Vodafone Messenger, a service with [Windows Live Messenger](#) and [Yahoo! Messenger](#). At the end of 2007, Vodafone Germany was ranked 6th in Europe by subscriber numbers, whilst its Italian operation was listed as 10th. Vodafone UK was ranked 13th, whilst Spain was listed in 16th place.^[38]



On 17 April 2008, Vodafone extended its footprint to Serbia as [Vip mobile](#) was added to the community as a Partner Network, and on 20 May 2008, the Company added [VIP Operator](#) as a Partner Network, thereby extending the global footprint to the Republic of Macedonia. In May 2008, [Kall](#) of the [Faroe Islands](#) rebranded as Vodafone Faroe Islands.

On 30 October 2008, the company announced a strategic, non-equity partnership with [Mobile TeleSystems](#) (MTS) group of Russia. The agreement adds Russia, Armenia, Turkmenistan, Ukraine, and Uzbekistan to the group footprint.^[39]

On 20 March 2009, it was announced that the group's Luxembourg partner has been changed to [Tango](#): the agreement with LuxGSM was not renewed in favour of [Tango](#), the Luxembourg unit of another partner network, [Belgacom](#) of Belgium.^[40]

Vodafone Global Enterprise

Vodafone Global Enterprise is a division established by Vodafone in 2007 to service multinational corporate clients. Vodafone Global Enterprise has a presence in over 65 countries,

with the number planned to grow in the future. Devices and services available in any Vodafone operating country are available to Vodafone Global Enterprise customers in the same country. Vodafone Global Enterprise is headquartered in Newbury, United Kingdom and is currently led by Nick Jeffery.

Products and services

[A map showing Vodafone Global Enterprise's footprint.](#)



Products promoted by the Group include [Vodafone live!](#), [Vodafone Mobile Connect USB Modem](#), [Vodafone Connect to Friends](#), Vodafone Passport, Vodafone Freedom Packs, Vodafone at Home, Vodafone 710 and [Amobee Media Systems](#).

In October 2009, it launched Vodafone 360, a new internet service for the mobile, PC and Mac. On 15 February 2010 Vodafone launched world's cheapest mobile phone known as [Vodafone 150](#), will sell for below \$15 (£10) and is aimed at the developing world. It will initially be launched in India, Turkey and eight African countries including Lesotho, Kenya and Ghana.^[41] Vodafone also runs an AppStore for Android, called AppSelect.^[42]

Mobile Money Transfer Service

In March 2007, Safaricom, which is part owned by Vodafone and the leading mobile communication provider in Kenya, launched a mobile payment solution developed by Vodafone.^[43] M-PESA is aimed at mobile customers who do not have a bank account, typically because they do not have access to a bank or their income is insufficient to justify a bank account. The M-PESA system allows customers to deposit and withdraw cash via local agents, and transfer money to other mobile phone users via SMS.

By February 2008, the M-PESA money transfer system in Kenya had gained 1.6 million customers^[44] and Vodafone announced that it was to extend the service to Afghanistan.^[45] The service here was launched on the Roshan network under the brand M-Paisa with a different focus to the Kenyan service. M-Paisa was targeted as a vehicle for microfinance institutions' (MFI) loan disbursements and repayments, alongside business to business applications such as salary disbursement. The service has now been transitioned to be operationally run by IBM Global Services on behalf of Vodafone, the initial 3 markets (Kenya, Tanzania & Afghanistan) are hosted by Rackspace.

The Afghanistan launch was followed in April 2008 by the announcement of further a further launch of M-PESA in Tanzania. As an operator of money transmission services, Vodafone became subject to anti-money laundering regulation and in July 2008, it was revealed that it had deployed a sanctions and PEP (Politically Exposed Persons) screening solution from [Datanomic](#) for weekly screening of 2.5 million customers in Tanzania.^[46] The screening service was to be

rolled out to Afghanistan, Kenya, India and [Datanomic](#) disclosed that the solution might be used to screen all of Vodafone's 300 million customers globally.

mHealth Solutions

In November 2009, [Vittorio Colao](#) announced^[47] that Vodafone set-up a new business unit that looks after the emerging mHealth market. mHealth is defined as the application of mobile communications and network technologies to healthcare. Vodafone's main objectives for implementing mHealth projects are to optimise the efficiencies of health organisations' internal processes and to enhance the delivery and accessibility of healthcare.

One of its early success stories is with the [Novartis](#)-led "SMS for Life" project in Tanzania, for which Vodafone developed and deployed a text-message based system that enables all of the country's 4,600 public health facilities to report their levels of anti-malaria medications so that stock level data can be viewed centrally in real-time, enabling timely re-supply of stock. During the SMS for Life pilot, which covered 129 health facilities over six months, stock-outs dropped from 26% to 0.8%, saving thousands of lives.^[48]

Vodafone is also working together with [Baxter International](#), having developed a patient-reported treatment outcome system for users of Baxter's intravenous immunoglobulin (IVIG) treatments. The aim of the system is to move more patients from hospital to home to receive their ongoing infusions.

Other examples of Vodafone initiatives in mHealth date back before the creation of the mHealth unit. A continued partnership with the Spanish Red Cross to market and enable a localisation service for Alzheimer patients began in 2005 and serves more than 1,000 patients and carers per year.^[49] Since 2006, Vodafone enables doctors in remote practices on the Greek islands to share patient data with specialists in Athens and other central hospitals, so that they can receive diagnostic and therapy consultations in real-time.^[50]

Vodafone has also been active in mHealth from a philanthropic perspective. The Vodafone Group Foundation is a founder member of the [mHealth Alliance](#),^[51] supporting the adoption of mHealth through policy research and advocacy and the development of interoperable and sustainable mHealth solutions.

Corporate affairs

Governance

In a period just short of twenty years from its [initial public offering](#), the Company had had just three Chief Executives. The fourth CEO, [Vittorio Colao](#), stepped up from Deputy Chief Executive in July 2008. Each of his predecessors made a personal contribution to the development of the Company.

Sir [Gerald Whent](#), at that time an Executive with Racal Electronics plc, was responsible for the bid for a UK Cellular Network licence. The Mobile Telecoms division was de-merged, and was

floated on the [London Stock Exchange](#) in October 1988 and Sir Gerald became Chief Executive of Racal Telecom plc. Over the next few years the company grew to become the UK's Market Leader, changing its name to Vodafone Group plc in the process.

Sir [Christopher Gent](#) took over as Chief Executive in January 1997, after Sir Gerald's retirement. Sir Christopher was responsible for transforming Vodafone from a small UK operator into the global behemoth that it is today, through the merger with the American AirTouch and the takeover of Germany's Mannesmann, the [Goldman Sachs](#) chief advisor on the deal was [Scott Mead](#).

[Arun Sarin](#) was the driving force behind the Company's move into emerging markets such as Asia and Africa, through the purchases such as that of Turkish operator Telsim, and a majority stake in Hutchison Essar in India. Faced with increased competition, and penetration rates above 100% in the more mature European markets, he saw it necessary to diversify from being a mobile-only business into a company which provided all telecommunications services. This has seen Vodafone launch [DSL](#) and other fixed-line services in markets such as Germany and the UK.

Chief Executive	Tenure
Sir Gerald Whent	October 1988 – December 1996
Sir Christopher Gent	January 1997 – July 2003
Arun Sarin	July 2003 – July 2008
Vittorio Colao	July 2008 – present

Financial results

Vodafone reports its results in accordance with [International Financial Reporting Standards](#) (IFRS).

Vodafone has some large minority stakes, which are not included in its consolidated turnover. In order to provide additional information on the overall scale and growth trends of its business, it publishes "proportionate turnover" figures, and these are included in the tables below. For example, if a business in which it owns a 45% stake has turnover of £10 billion, that equals £4.5 billion of proportionate turnover for Vodafone. Proportionate turnover is not an official accounting measure, and Vodafone's proportionate turnover should be compared with other companies' statutory turnover.

Vodafone also produces proportionate customer number figures on a similar basis, e.g. if an operator in which it has a 30% stake has 10 million customers that equals 3 million proportionate Vodafone customers. This is a common practice in the mobile telecommunications industry.

Year ended 31 March	Turnover £m	Profit before tax £m	Profit for the year £m	Basic eps (pence)	Proportionate customers (m)
2010	44,472	8,674	8,618	16.44	341.1
2009	41,017	4,189	3,080	5.81	302.6

2008	35,478	9,001	6,756	12.56	260
2007	31,104	(2,383)	(5,297)	(8.94)	206.4
2006*	29,350	(14,835)	(21,821)	(35.01)	170.6
2005	34,073	7,951	6,518	9.68	154.8
2004	36,492	9,013	6,112	8.70	133.4

*Losses for year to 31 March 2006 reflect write downs of assets, principally in relation to the Mannesmann acquisition. Proportionate turnover includes £7,100 million from discontinued operations.

Criticisms

[UK Uncut](#) protestors outside a Vodafone shop in [Liverpool](#). In September 2010, an investigation by [Private Eye](#) magazine revealed certain details of Vodafone's tax avoidance activities. It was reported that Vodafone routed the acquisition of [Mannesmann](#) through a Luxembourg subsidiary, set up to avoid paying tax on the deal, and continued to place its profits in Luxembourg. Following a long legal struggle with [HMRC](#) (during which a senior HMRC official, John Connors, switched sides to become head of tax at Vodafone), it was eventually agreed that Vodafone would pay £1.25bn related to the acquisition. Based on Vodafone's accounts, experts have estimated the potential tax bill written off as a result of the negotiations was over £6bn.^[52]



The news of this legal [tax avoidance](#) sparked angry protests, beginning in October 2010 and ongoing as of April 2011, outside Vodafone shops across the UK, organised under the banner of [UK Uncut](#). The first protests caused the simultaneous closure of over a dozen stores, including the flagship Oxford St. branch.^[52]

Vodafone was also assessed a \$2.5 billion tax over its acquisition of Hutchison Whampoa's Indian assets in 2007, a demand that it contests. In recent event dated 20 January 2012, Indian highest court ruled that Vodafone is not liable for taxes and penalties of up to \$4.4bn (£2.8bn).^{[53][54]}

Vodafone was implicated in the violent suppression of pro-democracy protests in [Egypt's 2011 demonstrations](#). On 27 January, Vodafone, responsible for much of Egypt's telecommunication infrastructure, shut off all voice and data services for Egyptian citizens and businesses at the request of the Egyptian Government under [Hosni Mubarak](#).^[55] The Daily Telegraph of the UK reported, "The Egyptian government's action is unprecedented in the history of the internet."^[56] U.S.-based Internet intelligence firm Renesys stated, "in an action unprecedented in Internet history, the Egyptian government appears to have ordered service providers to shut down all international connections to the Internet."^[57] Vodafone Group CEO Vittorio Colao said the company was obliged by law to comply with the instructions of the Egyptian government.^[58] In the company's annual general meeting, on 26 June, the campaign groups Access and

[FairPensions](#) asked Vodafone to endorse a plan to prevent facing similar demands in the future.^{[59][60]}

References

1. ^{a b c d e f} ["Annual Report 2010"](#). Vodafone Group Plc. Retrieved 22 April 2011.
2. ["Vodafone moves world HQ to London"](#). *BBC News* (BBC). 24 June 2009. Retrieved 10 January 2011.
3. Krishna, R. Jai; Mukherjee, Arpan (30 July 2010). ["Vodafone Says No Tax Due in India, Mulls IPO for Local Unit"](#). *The Wall Street Journal*. Retrieved 23 August 2010.
4. ["News Release"](#). Vodafone Group Plc. Retrieved 17 November 2010.
5. ["Vodafone total customer as of September 2011"](#). Vodafone.
6. ["About us"](#). Vodafone Group Plc. Retrieved 17 November 2010.
7. ["Facts-at-a-Glance"](#). Verizon Wireless. Retrieved 23 August 2010.
8. Thomson, Amy (30 June 2010). ["Verizon Wireless Said to Start Offering iPhone in January"](#). Bloomberg. Retrieved 6 September 2010.
9. [UK – About Vodafone UK – About Us – History](#). Online.vodafone.co.uk (1 January 1985). Retrieved on 8 July 2011.
10. ["FTSE All-Share Index Ranking"](#). stockchallenge.co.uk. Retrieved 26 December 2011.
11. Richard Wilson (19 February 2009). ["Obituary: Sir Ernest Harrison"](#). electronicsweekly.com. Retrieved 29 June 2010.
12. ["A Profile Of World Leader Vodafone"](#). 2 November 2006. Retrieved 2 April 2007.
13. ^{a b} ["Vodafone Group Public Ltd Co"](#). Retrieved 2 April 2007.
14. ["The rapid rise of Vodafone"](#). *BBC News*. 4 February 2000. Retrieved 27 May 2010.
15. Eadie, Alison (30 December 1986). "Racal pays £110 million to own Vodafone". *The Times* (Times Newspapers).
16. "Shares in Racal Telecom". *The Guardian* (Guardian Newspapers). 27 October 1988.
17. Wise, Deborah (16 September 1991). "Vodafone's solo debut could boost share price". *The Guardian* (Guardian Newspapers).
18. Cane, Alan (10 July 1996). "Companies and Finance: UK: Vodafone acquires Talkland in Pounds 60m deal". *Financial Times*: p. 22.
19. Reguly, Eric (20 November 1996). "Vodafone pockets Peoples Phone". *The Times* (Times Newspapers).
20. "News Digest: Vodafone snaps up Astec". *Investors Chronicle*: p. 55. 7 February 1997.
21. Hasell, Nick (30 June 1999). "Scramble for Vodafone as blue chips retreat". *The Times* (Times Newspapers).
22. Krause, Reinhardt (8 June 1999). ["Vodafone's Quest Begins With AirTouch Alliance"](#). *Investor's Business Daily*. Archived from [the original](#) on 27 September 2007. Retrieved 4 April 2007.
23. [^] ["Making airwaves"](#). *Financial Times*. 22 September 1999.

24. ["Mannesmann rejects Vodafone bid"](#). *BBC News* (BBC). 14 November 1999. Retrieved 6 April 2007.
25. ^a ^b ["Vodafone seals Mannesmann merger"](#). *BBC News* (BBC). 3 February 2000. Retrieved 6 April 2007.
26. Smith, George. (1 July 2011) [Vodafone, Essar Said to Split \\$785 million Tax Bill in India](#). Bloomberg. Retrieved on 8 July 2011.
27. Webster, Stephen C.. (28 January 2011) [Vodafone confirms role in Egypt's cellular, Internet blackout](#). Rawstory.com. Retrieved on 8 July 2011.
28. ["Vodafone CEO Explains Egypt Phone Cutoff"](#). *The Wall Street Journal*. 28 January 2011.
29. ["Vodafone"](#). *Washington Post*.^[dead link]
30. [Vodacom focuses on data as profit drops after debut](#) Reuters, 19 May 2009
31. [Vodafone Australia 3G Core Data Network](#), *3g.co.uk*, 2 December 2004. Retrieved 08/07/2008.
32. Guan, Lilia. (6 September 2008) [Vodafone buys Crazy John's](#). Itnews.com.au. Retrieved on 8 July 2011.
33. [KKTC Telsim](#). KKTC Telsim. Retrieved on 8 July 2011.
34. [Vodafone buys Turkish mobile firm](#) BBC News, December 2005
35. ["Bill Morrow, Vodafone's Turnaround Guru, Walks Away"](#),*Cellular-News*24 July 2006. Retrieved on 9 November 2007
36. [Money Saving Expert](#). Forums.moneysavingexpert.com. Retrieved on 8 July 2011.
37. ["Vodafone Live launches cheaper mobile Internet portal in the UK" \(Accessed 07-June-2007\)](#)
38. [European Mobile Market – Europe's Top 50 Mobile Network Operators by Subscribers](#). Telecomsmarketresearch.com. Retrieved on 8 July 2011.
39. ["MTS and Vodafone"](#). *Marketwatch*. 30 October 2008. Retrieved 9 November 2008.
40. [Vodafone signs partner market agreement with Tango](#). Efytimes.com (23 March 2009). Retrieved on 8 July 2011.
41. ["Vodafone launch 'world's cheapest phone'"](#) (stm). BBC. Retrieved 1 October 2005.
42. <http://developer.vodafone.com/blog/2011/11/17/vodafone-launches-refreshed-app-shop-vodafone-appselect/>
43. [Safaricom and Vodafone launch M-PESA, a new mobile payment service](#)
44. [M-PESA Reaches 1.6 Million Customers in 12 Months](#)
45. [Vodafone and Roshan Launch First Mobile Money Transfer Service in Afghanistan](#)
46. [Vodafone rolls out Datanomic screening software for money transfer service](#). Finextra.com (15 July 2008). Retrieved on 8 July 2011.
47. [\[1\]](#)
48. [\[2\]](#)
49. [\[3\]](#)
50. [\[4\]](#)
51. [\[5\]](#)

52. [^a ^b "BRITAIN'S £6BN VODAFONE BILL"](#). Private Eye. Retrieved 11 November 2010.
53. ["Vodafone not liable for up to \\$4.4bn of India penalties"](#). *BBC News*. 20 January 2012. Retrieved 20 January 2012.
54. ["Vodafone given \\$2.5bn Indian tax bill deadline"](#). *BBC News*. 22 October 2010. Retrieved 31 March 2011.
55. ["Egypt Internet users report major network disruptions"](#). Reuters. 27 January 2011.
56. Williams, Christopher (28 January 2011). ["How Egypt shut down the internet"](#). *The Daily Telegraph* (London).
57. [Egypt Leaves the Internet](#). Renesys.com. Retrieved on 8 July 2011.
58. ["Egypt's Web, Mobile Communications Severed"](#). *The Wall Street Journal*. 28 January 2011.
59. Financial Times, 25 July 2011, Andrew Parker, "Vodafone faces pressure over Egypt protests", <http://www.ft.com/cms/s/0/3316685a-b6d8-11e0-a8b8-00144feabdc0.html#axzz1T6ggP1pw>
60. New Statement, 28 July 2011, Tess Riley, "Shedding light on Vodafone's digital darkness", <http://www.newstatesman.com/economy/2011/07/vodafone-egypt-telecoms>