

Special edition

RESPONSIBILITY ADDS VALUE

Europe: Far from
Being too Old

Mobile World:
the Background

What's in
the Glass?



ELCOTEQ'S CUSTOMER MAGAZINE **one2009**

emsnews

ELCOTEQ

4 Value Grows in Chains

Elcoteq's business area, Personal Communications or PC, is strongly focusing on offering the complete value chain to its customers, from product development to After Market Services.

8 Sense and Responsibility

Cost-effectiveness will always be one of the corner-stones of EMS, but not the only one. In the future, responsibility for end-to-end solutions is what the customers are looking for.

12 Becoming of Age

GSM has proved to be the father of mobile communications technologies. We speak of generations with a very good reason.

14 Recession or Not, People Want TVs

In spite of the present economical turmoil, demand for home communications products such as flat panel TVs is expected to grow. Elcoteq is ready to meet this demand.

16 Europe Is still Young

Europe has not used all its potential, far from it, says professor Paul Schönsleben from the famous Zurich ETH.

18 In Favour of Flavour

Cocktails were invented to disguise the taste of bootleg liquor, but they stole the whole show.

19 In the News

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ABOUT US Elcoteq SE is a leading electronics manufacturing services (EMS) company in the communications technology field. Elcoteq's global service offering covers the entire lifecycle of products, from product development to after market services. By further combining mechanics expertise into its service offering, Elcoteq's vision is to be a leading integrated electronics manufacturing services (IEMS) company. Elcoteq provides global end-to-end solutions consisting of product development services, supply chain management, NPI, manufacturing, and after market services for the whole lifecycle of its customers' products. These products include Personal Communications products such as mobile phones and their parts, Home Communications products such as set-top boxes and electronics for flat screen TVs as well as Communications Networks products such as base-stations, tower-top amplifiers, and microwave systems. Elcoteq operates in 15 countries on four continents and employs some 24,000 people. The Group's consolidated net sales for 2007 totaled 4.0 billion euros. Elcoteq SE is listed on the OMX Nordic Exchange Helsinki. For more information visit the Elcoteq website at www.elcoteq.com.

Cope, Be Flexible

by Carsten Barth, Director, Marketing and Communications | photo PLUGI

The global economic outlook for 2009 does not look bright. The downturn of the global economy will affect the whole EMS industry, just as Elcoteq's business, and we have to adjust to this situation.

It seems like preparing for the upcoming challenges can be described by the famous saying of Charles Darwin "the survival of the fittest", which is the key for success for the winners of the downturn. Although Charles Darwin is often credited with this statement, such attribution is not really correct. Darwin did write:

"In the struggle for survival, the fittest win out at the expense of their rivals because they succeed in adapting themselves best to their environment."

Being flexible and capable to cope with the environment will be keys for success.

The global economic situation also carries opportunities. In the longer term, positive elements for the EMS industry will be observed. EMS customers will go back or rethink where they invest their capital, where they tie down their capital and how they reduce potential future capital expenditures. This might lead to more outsourcing. So why should I put my money into let's say brick and mortar, into machines, into inventory if I can buy that from an outside service provider.

Elcoteq is adapting to those needs and requirements of customers in the market.

Requirements like a global footprint, long term experience with the communications technology industry and a proven track record with key industry players are given. But we at Elcoteq must constantly develop our services and capabilities. The latest acquisition put us in the comfortable position to offer final assembly for Flat Panel TVs (FTV). This shows that Elcoteq's capabilities and knowledge are rising and will probably lead us into new markets or products. Strong customer focus and customer specific requirements will be the driving factors in deciding where Elcoteq will focus its actual and future activities and investments.

But there is a key point to remember. Future business, especially with strong consumer brands, requires unyielding integrity. Ethical business behavior, which Elcoteq will continue to show, can be reviewed in Elcoteq's annual Corporate Responsibility (CR) report. This ethical and integral behavior will remain a strong cornerstone for our way of doing business.

The future is already here, and the process of adapting to the changing environment is a constant process. We at Elcoteq are prepared to provide the services that our customers need to be successful in the future.

As Darwin said, to survive it requires not to be the strongest, but the best in adapting to the given situation.

Mr. Carsten Barth

Director, Marketing and Communications



MIKA KAINU

Shaping the Future

The Elcoteq Personal Communications (PC) business area is strongly focusing on offering the complete value chain to its customers – from Product Development to After Market Services.

by Andrea Roberts | photo Miika Kainu | illustration Kreetta Järvenpää

PERSONAL COMMUNICATIONS became a separate business area of Elcoteq in January 2008 in order to ensure a customer centric organization.

Towards that end, 2008 has been spent on implementing and fine-tuning the PC business area for optimized set-up. The business area is strongly focusing on offering the complete value chain to its customers – from Product Development to After Market Services. Elcoteq Personal Communications provides services for mobile phones and Smart Phones in all their iterations, as well as wireless modules and wireless phones.

Elcoteq has been manufacturing personal communications products practically from its inception in 1984, when it was called Lohja Microelectronics. Nokia Mobira in Finland and Ericsson in Sweden had developed the first mobile phones based on the Nordic Mobile Telephone standard. They looked for the expertise they needed outside their own companies and



became customers of Elcoteq's predecessor. From that point on, the unit operated as an EMS provider, with Ericsson and Nokia as its largest customers. Since then, Elcoteq has delivered well over 1 billion handset assemblies.

Obviously, the mobile phones of today are vastly different from those original ones. Functionality has increased so phones not only are used for calling people, but also as cameras, video equipment, PDAs, GPS devices, and computers. The role of EMS has also changed from that of mainly a manufacturer to possibly become an original equipment manufacturer (OEM) partner, collaborating on almost every aspect of the product from design to end-of-life.

Elcoteq has continually responded and adapted to each new change. Elcoteq's Personal Communications value chain goes from design to After Market Services, and includes product development, sourcing, new product introduction (NPI), purchasing, inbound logistics, global manufacturing, distribution, and outbound logistics.

Elcoteq PC business area serves medium and large-size communications technology OEMs globally and offers high-volume manufacturing services in low-cost locations close to end-markets, with facilities in 15 countries on four continents. Business areas' globally operating customers include Aastra, Nokia, Research in Motion (RIM), Sony Ericsson and Sumitomo. Elcoteq is the number three EMS provider in the world for personal communications products and is the largest European EMS company.

Patrik Åhgren, Vice President, Sales and Business Development, Personal Communications for Elcoteq, was asked about how the 2008 economic crisis has affected the Personal Communications and what he anticipates the prospects are for 2009. Here are some of his reflections. >>



Mr. Patrik Åhgren,
Vice President, Sales and
Business Development,
Personal Communications
business area of Elcoteq.





Value-added services, such as repair and other After Market Services, are an obvious element of the EMS market that will expand in the future.

Business in Personal Communications felt the backlash of the economic downturn in 2008, yet saw volumes for RIM business increase over 2007 and volumes for Nokia were better than forecasted. Although sales development for the first half of the year were favorable compared to expectations, the second half did show the economic recession and increased price competition. In compliance with Åhgren, the list of potential customers expanded, fostering optimism towards future growth and profitability, but new customer acquisition takes longer than expected due to the economic climate.

The communications segment in the EMS market will still experience the strongest rate of growth over the next five years. Market research institute Oppenheimer estimates that the mobile phone market saw a growth of 8.4% in 2008 with global sales of mobile phones at about 1,240 million units. Global handset shipments will decline 3% to about 1,200 million units in 2009.

So what are Elcoteq's prospects for 2009? In light of data signaling a global slowdown across the electronics industry, the trend towards outsourcing is still foreseen to grow. OEMs will continue to leverage EMS service providers to receive benefits such as asset flexibility, a chance to focus on core competencies, faster time-to-market, access to value-added services, and use of a global footprint.

Close to End Users

Elcoteq is particularly strong in handset manufacturing and has positioned itself to maintain a key position in the industry. Smart Phones are likely to be the fastest growing segment in the handset industry. Elcoteq has an excellent track record and is well established as a manufacturer of Smart Phones through its business with RIM and others. Elcoteq's end-to-end solutions, which include full box build of products with associated supply chain solutions for direct deliveries close to end users, are an area of significant importance for Elcoteq and its customers.

A new Laboratory for Design Validation and Verification was established by Elcoteq in Beijing, China. This service allows Elcoteq to perform important end-to-end services throughout a product's development phase locally. The lab will support and shorten time-to-volume for our customers' products.

Åhgren takes vertical integration as a trend that will be seen in the handset arena and consolidation is expected to accelerate among handset EMS and component makers. Value-added services, such as repair and other After Market Services, are an obvious element of the EMS market that will expand in the future. These services should offer an opportunity for the OEM's incremental spends.

Shaping the Future with Customers

Regionalized product customization is expected to increase in importance due to continued demand for lead-time reductions and product availability. Increased transportation prices are also speeding up this development. China continues to be a global hub for cost-effective manufacturing of generic products which can be customized and finalized close to end markets. Any restrictive development in the area of duty and taxes for mobile phones with advanced features will have a direct impact on companies and their requirement for a global footprint in cost competitive locations. Elcoteq is particularly well structured to handle these developments.

In 2009 Elcoteq is striving to win new customers, streamline operations, and continue with planned expansion. To achieve this, a strategy is in place for expanding business development with a commitment for additional staffing and resources for new customer wins. The establishment of internal and external expertise to support expansion, growth, and new customer acquisition is ongoing. Elcoteq has a global network of plants with top-of-the-line people, equipment and processes. We are shaping the industry's future together with our customers. •



“The challenges of the coming months should bring us all together,” says Elcoteq’s Bruno Cathomen.




End-to-End Responsibility

Global communications technology suppliers want their subcontractors to provide even more optimized end-to-end solutions. Network technology companies are no exception.

by Tapio Nurminen | photos Andreas Schwaiger

ELCOTEQ'S COMMUNICATIONS NETWORKS BUSINESS AREA seeks to bolster the quality and efficiency of its response to new demand. In the future, traditional cooperation in production and assembly – in which roles are very tightly defined – will be only one of the links in the long chain that Elcoteq ensures for its network technology customers.

The international economy will inexorably slide into a recession in the near future, even if it remains to be seen how deep it will be. In this environment, communications technology subcontractors will also be expected to provide competitive and optimized services. Cost-effectiveness remains one of the cornerstones of EMS – but just one of them, and perhaps not even the most important anymore. Now more than ever, customers need to rest assured that they can turn to a chosen suppliers for a reliable end-to-end solution.



“Technology testing
is our key service.”

9

“From many customer’s perspective, comprehensive sourcing and supply chain management will become even more important – finding the optimal setup and implementing it with the selected components. We want to take on even more responsibility for this on behalf of our customers,” says Mr. **Bruno Cathomen**, Vice President of Elcoteq’s Communications Networks business area, who is based in Zug, Switzerland.

In October, Mr. Cathomen went to Zurich to present his business area’s revised portfolio to potential customers in German-speaking Europe. This presentation was part of the first Elcoteq Forum, organized by Communications Networks business area in Switzerland. The theme of the event was generating global added value in 2009. There’s no question that the global market economy and the communications technology industry will face challenging times in the year ahead. Elcoteq wants to get >>

all the participants on board to discuss the challenges and opportunities of European industry.

One Package

Mr. Cathomen presented customized setups. In practical terms, these are multi-link production chains for cutting-edge network technology products: antennas, base stations and related electronics. Elcoteq seeks to find the most suitable links for this chain and integrate the complex whole into an efficient production process.

“It all begins with deciding where to locate production. Then we screen subcontractors that produce the right components to a high level of quality and at a reasonable price. The process involves a great deal of fine-tuning overall logistics and quality systems. For example, when a customer orders a manufacturing package for a mobile network base station, the setup hinges on how and in what schedule startup and ramp-up of mass production can be carried out at the selected site. This largely entails optimizing logistics,” says Cathomen.

Two key terms come up again and again in his thinking about EMS: system integration and complexity management. Customers expect the entire manufacturing process to be integrated into their own value chain, enabling them to harness all the synergies and achieve optimal control of the new process. Costs must be kept in check and reliable production machinery and well trained and skilled workforce is a must. The end product must fit into the vendor’s product palette seamlessly.

“These two skills are vital. We have to be able to prove beyond a doubt that we master them. In order to be highly competitive in our business, you must also have a strong foothold in the most important territories worldwide. This global footprint is a hot topic. It’s often a major decider when communications technology companies are looking for suitable EMS providers,” says Mr. Cathomen.

“In this respect, China and India will be very significant in the future as well. South America is play-

ing a growing role also for European companies.”

It’s not a simple matter to venture into potential new production areas and establish a firm foothold in new parts of the world. For instance, there are many areas in so called low cost countries where trained labor is abundant, but we face the greatest challenges in logistics and infrastructure.

“Of the low cost countries, new locations like Vietnam or Malaysia might play a major role. The former Soviet states will become important at some point, but moving operations there for very complex infrastructure products is currently not in the cards,” says Mr. Cathomen.

Product testing is a key Elcoteq service – It’s part of taking on end-to-end responsibility. Defective or suboptimal solutions are poison to communications technology companies. A customer ordering a mobile network wants a total solution that serves its end users flawlessly right from the start.

“We seek to create production test platforms for different technologies standards that we can then use for many customers. We also do this for the very latest technologies.”

Business Cycles Keep on Turning

Bruno Cathomen is confident in the future of network technology EMS. Demand for communications technology won’t dry up, even when the business cycles dip and swing. The construction of communications networks has only just begun in emerging countries. That will certainly generate growth. When network solutions are sold, this means EMS providers – including Elcoteq – will also land orders.

“Consolidation will certainly go on in our industry, because competition is very heated. Network companies have set ambitious profitability targets for themselves, and this will also pose challenges for EMS providers. Small players will be knocked out of the game. That said, new companies specializing in niche technologies will emerge on the scene,” says Mr. Cathomen.

“One of the crucial competitive factors is how promptly we can react to demand for the latest com-



“Social
responsibility
is essential.”

11

munications technology and standards and how flexible we are in managing the continuous swings in market demand.”

WiMax, HSDPA, LTE and Femtocells are some of the latest new magic words that are keeping both network technology companies and their subcontractors on their toes. It's forecast that the new standards will support convergence and change telecommunications.

“From our standpoint as a manufacturer, the greatest changes concern components above all, and the testing of new technology products. The current rules will most probably continue to hold true in production,” he says.

Social responsibility and environmental challenges are also essential competitive factors for EMS providers in the communications technology segment that have extensive operations in more or less underdeveloped countries. Communications technology still draws a massive amount of power. All the solutions that a communication technology provider can deploy to boost energy efficiency will bolster its market position.

“Corporate responsibility will play a key role when we customize these end-to-end solutions in the future. We must keep the bar at least as high as our customers – global network companies,” says Mr. Cathomen. •



The World Goes Mobile

From humble beginnings, GSM has evolved into a global project. GSM hasn't remained a single technology – it's a springboard for new solutions for the fast wireless transfer of voice, images, text and all kinds of information to billions of people.

by Matti Sovijärvi | illustration Christer Nuutinen

IT WAS TWENTY YEARS AGO TODAY, sang the Beatles, but actually it's already 21 years since 15 mobile operators signed, the most important agreement behind the development of GSM. This Memorandum of Agreement was signed in September 1987, Copenhagen, when only the Scandinavians had experience of international mobile phone networks. And at that time, the Nordic countries had the largest subscriber base by far. Purists might claim that GSM really got its start from the EU's Groupe Spécial Mobile initiative in 1982.

It's been twenty years since the GSM technical specifications were completed. Only a year later, the expansion of GSM from 900 MHz to 1,800 MHz got under way, as more capacity was needed for phone calls – even though not a single handset had been sold. Now that's thinking forward.

GSM became an international network in 1992 when the UK telco Vodafone and Telecom Finland

signed the first roaming agreement. In the same year, the first SMS was sent. For more on the birth of SMS, see the article about its inventor Mr. Makkonen in EMS News 2/2008.

A few years later there were a million GSM subscribers in the whole world. These were very, very humble beginnings.

AT FIRST, international cooperation was named GSM MoU, or Memorandum of Understanding. In 1995, it was renamed GSM MoU Association, later shortened to GSMA. That same year, the first GSM World Congress was held in Madrid, Spain, and GSM subscribers hit 50 million.

THE CONGRESS didn't stick around in Madrid for long. In 1996, the GSM World Congress was held in Cannes – after all, the Mediterranean shores are balmy even in winter. The first GSM Awards were handed



out in 1996, too. Over the years, these awards have been handed out in dozens of categories.

THE FIRST GSM AWARDS went to Ericsson and Nokia for Best Technical Innovation and to Telenor Mobil (Norway), Singapore Telecom and Mobile Communications Company (Kuwait) for GSM Customer Growth. By 1999, it had become clear that there was no sense in handing out awards for customer growth – customer numbers were surging everywhere. The next year, Telecom Italia won an award for its prepaid card.

Over the years, hundreds of awards have been given, now also in categories such as Best Made for Mobile Game – the world of mobile communications is not just about transferring factual data but also entertaining people.

THE RISE IN SUBSCRIPTIONS remained phenomenal. In 1998, there were 100 million GSM subscribers.

In a single month in 2000, over five billion SMS messages were sent. The next year, 50 billion were sent in a three-month period. In 2001, there were 500 million subscribers and the first 3GSM – W-CDMA network – went live. The GSM World Congress was renamed 3GSM in honor of the new generation. The billion-subscriber milestone was broken in 2003. Now, in 2008, there are at least three billion subscribers.

Much earlier, a number of regional congresses also popped up – after all, the world is very, very big.

THE CONGRESS REMAINED in Cannes until 2005, when it was time to move into a bigger venue in Barcelona. At that time, 3GSM was renamed to Mobile World Congress. Barcelona 2006 topped the previous number of congress visitors – 26,000 – on the very first day. 550 exhibitors attended the final congress in Cannes. Last year in Barcelona, there were 1,300.

NOW, 21 OR 27 YEARS LATER, depending on how you look at it, the mobile world will meet again in Barcelona. The Global Mobile Awards will be handed out for the 14th time, now in 19 categories. The whole world is represented in Barcelona, because the world can no longer be divided into the GSM haves and the GSM have-nots. One of the world's most flourishing industries got its start from tiny beginnings. And it will keep growing even in the middle of the recession. •

Welcome to the Elcoteq EMS Lounge

Elcoteq will participate in the Mobile World Congress on February 16–19, 2009 in Barcelona. You'll find the Elcoteq EMS Lounge in Hall 1 at F01. Experts from two of Elcoteq's three business areas, Personal Communications and Communications Networks, will be present at the booth. They will share their thoughts with you about the latest trends and the future of the EMS market.

Have a relaxing and informative break, enjoy refreshments with us and join the active discussions in the EMS Lounge!

See you in Barcelona!

Strong Development in Home Communications

The Home Communications business area has extended both its service offering and customer base.

by Elina Kokko | photo Miika Kainu

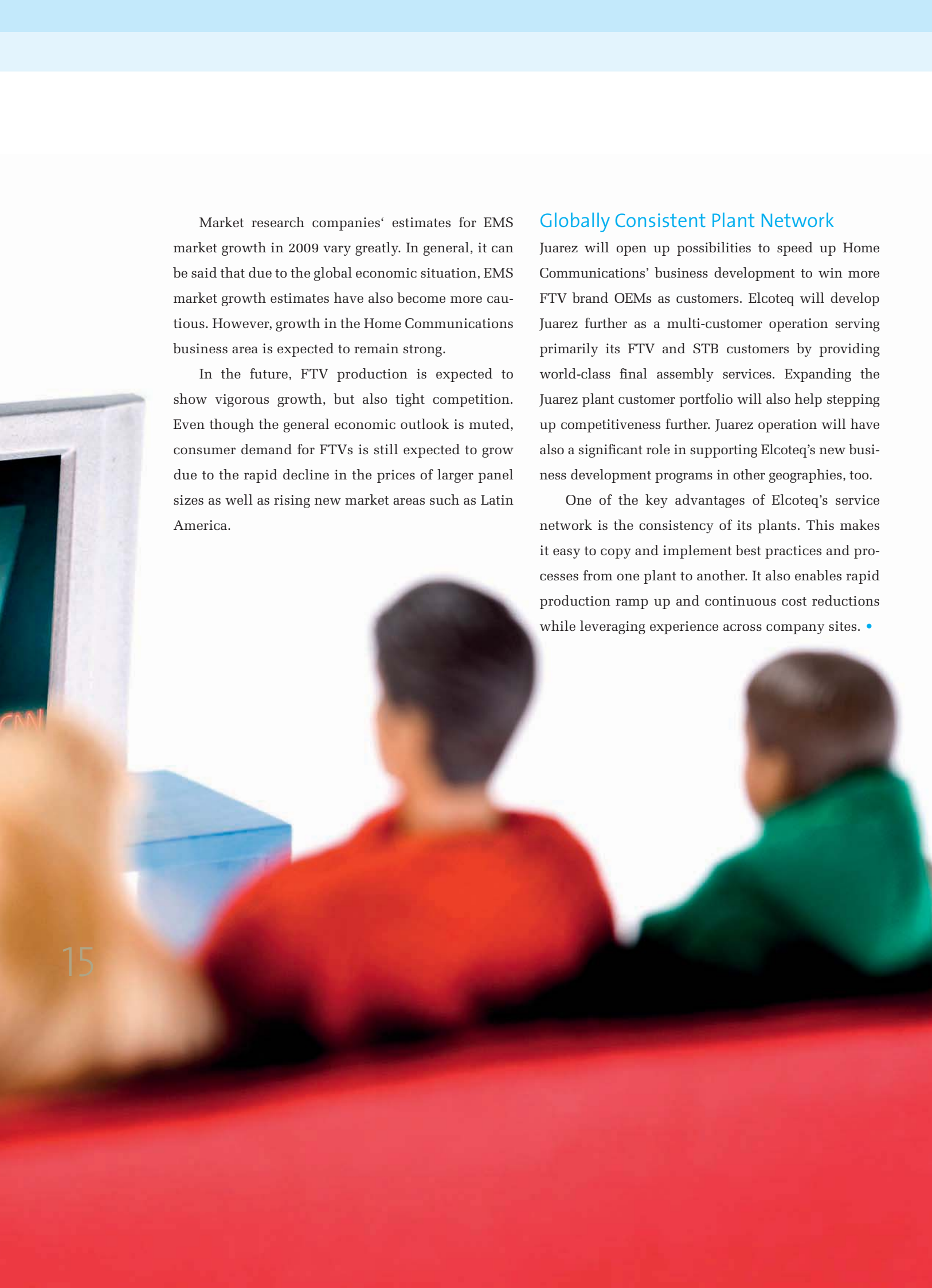
ELCOTEQ'S HOME COMMUNICATIONS business area handles home communications products, such as set-top boxes (STB) and flat screen TVs (FTV). The service offering covers the entire value chain of customers' products from product development to After Market Services. Its customers are globally operating original equipment manufacturers like Philips, Funai and Thomson.

Wider Service Offering for a Growing Market

Elcoteq purchased Philips' FTV assembly operations in Juarez, Mexico, in September 2008. The Juarez deal included a long-term cooperation agreement with Philips. Under the agreement, Elcoteq will provide manufacturing services to Philips' Latin American FTV business and its hospitality business in the Americas. The deal also included a long-term cooperation agreement with a new customer Funai Electric Co. Ltd. Elcoteq will provide full box build manufacturing services solutions to Funai's FTV business in North America. Funai, the leading Japanese supplier of FTVs and other audio-visual products, is a very welcome addition to Elcoteq's customer portfolio.

Thanks to the Juarez acquisition, Home Communications' service offering has expanded to the complete final assembly of FTVs. The acquisition provided Elcoteq with world-class capabilities to offer final assembly service solutions for FTVs, including related engineering and new product introduction (NPI), supply chain management, sourcing and repair service solutions.





Market research companies' estimates for EMS market growth in 2009 vary greatly. In general, it can be said that due to the global economic situation, EMS market growth estimates have also become more cautious. However, growth in the Home Communications business area is expected to remain strong.

In the future, FTV production is expected to show vigorous growth, but also tight competition. Even though the general economic outlook is muted, consumer demand for FTVs is still expected to grow due to the rapid decline in the prices of larger panel sizes as well as rising new market areas such as Latin America.

Globally Consistent Plant Network

Juarez will open up possibilities to speed up Home Communications' business development to win more FTV brand OEMs as customers. Elcoteq will develop Juarez further as a multi-customer operation serving primarily its FTV and STB customers by providing world-class final assembly services. Expanding the Juarez plant customer portfolio will also help stepping up competitiveness further. Juarez operation will have also a significant role in supporting Elcoteq's new business development programs in other geographies, too.

One of the key advantages of Elcoteq's service network is the consistency of its plants. This makes it easy to copy and implement best practices and processes from one plant to another. It also enables rapid production ramp up and continuous cost reductions while leveraging experience across company sites. •

“R&D might follow production lines.”

Western Europe Still has Untapped Potential

Western European and US industry are in a headlong race to set up in Eastern Europe, China and India – and this trend is showing no signs of waning. The benefits of such outsourcing and global networking are often dubious, says Swiss professor Paul Schönsleben. Europeans should value their own work and achievements more.

by Tapio Nurminen | photos Andreas Schwaiger

PAUL SCHÖNSLEBEN is a full professor of Industrial Engineering and Management at the Swiss Federal Institute of Technology ETH in Zurich. One of the top universities in the world, it engages in groundbreaking cooperation with universities and companies in both Japan and China.

Mr. Schönsleben says that the European technology industry still has a great deal to learn from Japan, where key industrial production has been kept in domestic hands. Japanese companies do use subcontractors and contract manufacturers, but their suppliers are tightly integrated into their own production processes. They form exclusive relationships with their partners and take good care of them – but ensure that the most valuable know-how remains at home.

“The best example is Toyota. It still has relatively few foreign subcontractors. Its domestic production goes far deeper than that of its major Western European competitors,” explains Professor Schönsleben. He points out that this strategic choice is readily evident in Toyota’s HR policy. Each and every production employee is respected.

“Production engineers in Japan earn more than deskbound accountants.”

Globalization is not an Imperative

Mr. Schönsleben says that if Western Europe holds on to its expertise and achievements, it will both face great challenges and enjoy great opportunities in the globalizing economy. However, views on the international division of labor are much too one-sided in Western Europe and the United States.

“At present, Western Europe is unnecessarily dismantling its production infrastructure and relies too heavily on Chinese and Indian production.”

“One of the dangers we’re facing is that vital R&D will follow on the heels of production and decamp to emerging industrial countries. In the end, we’ll be left with nothing, because it’s not a given that we’re better in services, trade and corporate management than the Chinese and Indians.”

He emphasizes that the opportunities and the many excellent alternatives available in Europe are plain to see when you look at how successful efforts to outsource to Eastern Europe, China and India have in fact turned out to be. Of course, it’s practical to use subcontractors and contract manufacturers, but trans-

ferring production with cooperation partners to low cost territories is by no means the only solution.

Localization is a Resource

In fact, Mr. Schönsleben urges European high-tech companies to keep the entire value chain of their most innovative products in Western Europe. Following Toyota’s example, they should forge networks of companies engaging in close cooperation on these products. To name one example, Toyota has, for a long time, kept all its hybrid technology production in Japan.

“Alongside globalization, I would also emphasize localization. Creating strong local networks often generates far greater benefits than a rushed move to countries where labor is cheap. Thanks to these networks, local subcontractors and contract manufacturers can grow into real world-class players in their own fields,” says Mr. Schönsleben.

“When you outsource to the Far East, for instance, there must be clear market potential for the products being manufactured. Otherwise the whole project can easily become unviable.”

Professor Schönsleben also encourages Europeans to hold their heads up high. Unlike in Japan, Western Europeans tend to downplay their own achievements. In order to safeguard the future of European production infrastructure, Europeans need to have good self-esteem and both recognize and value their own achievements and potential. The infrastructure is now in danger of crumbling away entirely. •

Elcoteq Maintains a Global Market Presence

ELCOTEQ HAS FOR a long time sought to be close to its customers in Europe, Asia, North and South America. A local presence brings not only substantial logistics benefits, but also direct commercial advantages. Speed, accuracy and reacting without delays are key competitive factors for quality and delivery reliability.

Environmental soundness is another reason why Elcoteq wants to be close to its customers. Production volumes are so large that it makes no sense to transport products all around the world. When the customers and component suppliers are in Asia, it makes sense to keep production there as well.



Although designed in the 1970s, these cocktail tools are still part of Alessi's current range.

Chasing Cocktails

Cocktails are said to have originated during the Prohibition, as the refined customers of the speakeasies weren't wild about moonshine. Hideous flavors had to be disguised in fine-looking drinks that wouldn't remind people of bathtub gin. by Matti Sovijärvi | photos Kreetta Järvenpää and Anna Kojro

YOU NEED all kinds of paraphernalia to make cocktails: shaker, sieve, thermometer, mixing glass, spoon, measures, bottle opener, corkscrew, peeler, citrus press, blender and, of course, ice cubes and crushed ice. The list of potential tools is endless, but a shaker, sieve and blender are essential. If you're really pressed, you can use an everyday spoon for mixing.

The fundamental idea behind the cocktail is that it is always served ready prepared in a glass. There are, however, many methods of preparation. Ingredients can be added directly to the serving glass, starting with the sweetest and most sugary, and moving from milder to stronger ones. Some recipes even call for the ingredients to remain in separate layers.

Ice is an essential feature of cocktails. Sometimes, ice is only used to chill the ingredients. It will then be sieved out so as not to dilute the flavors. Ice cubes or

crushed ice are, however, essential ingredients for other drinks, as it's often desirable to have melting ice dilute a cocktail while it's being drunk. And nowhere does it say that cocktails must typically contain alcohol. Prohibition laws have been repealed pretty much everywhere.

Cocktail ingredients can also be mixed if they won't naturally dissolve into each other. Although you can use a spoon, proper bars will have a variety of tools suited to different mixtures.

So you'll definitely need a shaker. This standard tool holds about half a liter and has a watertight, removable lid. This is where you pour all the drinks, ice cubes, crushed ice and other flavorings that you want to mix together. Your sieve must be flat, otherwise it will touch the liquid already in the glass. All this is simple. It's then that the design begins, because there are tools and there are great tools. Bartenders know their worth. •

Designer's Drinks

Food and drink preparation verges on sacred – and tools matter. The cocktail tools pictured are the work of three Alessi designers.

The shaker, stirrer and strainer are from the drawing board of Italian architect Ettore Sottsass. Sottsass was born in Innsbruck in 1917, but he was educated in Milan, where his father worked as an architect. Sottsass graduated as an architect from the Polytechnic University of Turin at the tender age of 22. After the war, he established his own architect's office and design agency in Milan.

In 1959, Sottsass received one of the most prestigious Italian awards for his ELEA 9003 Olivetti mainframe computer design. His work ranged from public buildings (including the Mayer-Schwarz Gallery in Beverly Hills) to household equipment, jewelry, furniture, and office equipment.

The measures were designed by Anselmo Vitale and Carlo Mazzeri, joint owners of a design agency called Standard. Vitale also came from Milan, although he graduated from the Venice School of Architecture. It was there that he met Carlo Mazzeri, who was a couple of years his senior. Vitale died in 1978, not yet fifty and at the height of his career.

Carlo Mazzeri enjoyed a long career with Alessi, even designing the Alessi production facilities in Omegna. His best-known work is the Alessi range of hotel and restaurant equipment he designed with Vitale. The measures in the picture belong to this range.



From E to Q

E

Earthquake

4 parts whisky, 2 parts gin, 2 parts Pernod.
Mix by shaking with crushed ice.
Cocktail glass.

L

Lady Be Good

4 parts brandy, 1 part white mint liqueur,
1 part sweet vermouth. Shake with crushed ice.
Strain into a cocktail glass.

C

Combo

4 parts dry vermouth, a spoonful of brandy and
one of Cointreau, confectioner's sugar, a drop of
Angostura. Shake with crushed ice. Strain into a
tumbler, add ice.

O

Opera

4 parts gin, 2 parts Dubonnet, 1 part Maraschino
liqueur. Mix with crushed ice, strain out the ice.
Cocktail glass.

T

Tequila Sunrise

4 parts tequila, 2 parts grenadine, fresh orange
juice. Pour the tequila into a highball glass filled
with ice cubes. Add plenty of orange juice and mix.
Slowly pour in the grenadine.

E

Exit 13

8 parts boysenberry juice, 8 parts pineapple juice,
1 part fresh lime juice. Shake with crushed ice.
Strain into a Collins glass filled with ice cubes.

Q

Queen Elizabeth

6 parts gin, 1 part dry vermouth, a spoonful of
Benedictine. Mix with ice cubes. Serve in a chilled
cocktail glass.

In the News

The Nobel Peace Prize Awarded to Elcoteq's Board Member

THE NORWEGIAN NOBEL COMMITTEE

awarded the Nobel Peace Prize for 2008 to President Martti Ahtisaari, a board member of Elcoteq and former President of Finland, for his work on peace and reconciliation. President Ahtisaari received the prize in Oslo on December 10, 2008

New Member to the Elcoteq Management Team

MR. ROGER TAYLOR was appointed Senior Vice President (SVP) Group Operations and member of the Elcoteq Management Team (EMT) on October 2008. Mr. Taylor has a proven track record in senior operational management and leadership positions within major communication technology OEM's like Nokia and Motorola.

Elcoteq SE's Financial Reporting in 2009

- Year 2008 financial statements bulletin, February 11, 2009
- The Annual Report 2008 will be available during the week starting on March 2, 2009
- The Annual General Meeting 2009 will be held in Luxembourg on Monday, March 23, 2009
- Interim report January–March on April 29, 2009
- Interim report January–June on July 22, 2009
- Interim report January–September on October 28, 2009

Every crisis is also an opportunity.

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