

Speech delivered by Alain Bories from THALES Group
on behalf of Galileo Services

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I am very honoured to be able to express the views of downstream market industry in front of such a distinguished audience. It is indeed this industry which will be strongly involved in the development of equipments, applications and services, and which will make Galileo a commercial success... or not. It is most timely that we should express ourselves just before [after] the concession consortia are presenting their ideas. The future concessionaire will indeed need the commitment of our industry to ensure the success of its business plan.

We have created Galileo Services for this very purpose: to make it happen. To be sure that Galileo will be a commercial success. To be sure that it brings growth and wealth to Europe. To be sure that it gives Europe a leadership in the new "mobility" society. And therefore to bring Europe the valuable jobs which are needed in the worldwide competition.

Galileo Services is a non-profit organisation, which gathers companies all of which have a strong commitment to the development of the market. Each of the members is not only contributing through the collective works, but also with a significant membership fee which enables the association to work efficiently.

I would like to stress the fact that Galileo Services is a non-exclusive organisation, that we have no commitment between us to answer together calls for tenders, and some of us are even strongly competing in current GPS markets.

Our glue is our commitment to the development of the Galileo market and to have European industry leading the worldwide mobility market as it has led the GSM market.

Of course, to achieve this goal, we need to work hand-in-hand with the institutional bodies, the Galileo Joint Undertaking, the European Commission and ESA to create the appropriate conditions. Only a proactive industrial policy and adequate regulatory

framework can ensure that European industry will be positioned to create the jobs which have been promised to the Member States.

It must be remembered that the United States, in order to get GPS market dominance, have injected more than 1 billion dollars of public money into the downstream industry. Of course, they have got large returns through the growth of their industry and the taxes collected over the activity which has been generated. But this shows that you cannot harvest what you have not sowed.

As European industry, we do not ask for such a huge investment. But we clearly ask to keep the advantage that we get by building in Europe the infrastructure. And in particular we need to get the institutional support to avoid that other countries, which do not have the same social rules and tax system, gain advantage at low cost of an infrastructure partly paid by the European taxpayer. We consider that the Intellectual Property Rights generated by the current development and validation phase is a collective European asset which has to be managed accordingly.

There are also very low cost measures which can ensure good conditions for European industry leadership. The first one is obviously standardisation which, of course, needs to be managed very professionally in order to ensure acceptance as a natural worldwide standard. Galileo Services members are strongly committed to that objective, and are dedicating considerable resources towards it. The second measure is to benefit from the EGNOS system completion. This is bringing a lot of opportunities to show the benefits of satellite navigation to many different users. It needs only the willingness from European bodies, such as Civil Aviations, Railways Operators or others, to implement a pro-active policy supported by the European Institutions.

Of course, if EGNOS applications become a business reality, then Galileo penetration in the market will be all the easier.

As you see, the success of Galileo is our collective work. It needs a strong partnership between private and public entities. This should be the true meaning of private-public partnership which has been promoted by the European Council. Galileo Services has the strong willingness to participate side-to-side with the public authorities to this exciting challenge.