



## TelematicsConferenceSEEurope

26 September 2013, Zagreb, Croatia

[www.telematics-conference.com](http://www.telematics-conference.com)

### New opportunities for expanding telematics in SE Europe

**The major Southeastern European companies involved in the development of telematics solutions for vehicle tracking and management met at end of September in Zagreb, at the Telematics Conference SEEurope. The core issue addressed at this year's conference – an event organized for the third time – was the future of telematics in the region connecting 15 countries. As the speakers explained, this region has great development potential and offers ample business opportunities.**

Southeast Europe, which has close to 160 million inhabitants (including Turkey), is also home to more than 9 million commercial vehicles, of which only slightly

more than 6 percent are equipped with telematics solutions for tracking and management through satellite navigation. This percentage is expected to double by 2017.

#### **Progress impeded not only by politicians, but by companies as well**

Why is vehicle telematics developing so slowly in this part of Europe? What is preventing it from establishing a firm foothold? The issue was addressed by the keynote speaker, Michael L. Sena, who has three decades worth of experience in consulting on the development of



**The major Southeastern European companies** involved in the development of telematics solutions for vehicle tracking and management met at end of September in Zagreb. (Photo credit: Janez Kotar)

vehicles, tracking systems and navigation. He named unrealistic government and EU directives as one of the reasons why telematics hasn't achieved greater success. (For example, the automated emergency call system eCall is to be installed in all new vehicles in the EU by 2015, but Mr. Sena believes that this is unlikely to be achieved and that the deadline will probably be pushed back again.) He also mentioned legislation, which is too strict and which prioritizes privacy and data protection while leaving little room for the transfer and use of data on vehicle location etc. However, politicians, legislation and rigid institutions are not the only culprits be-

hind the lack of progress. Telematics solution providers themselves too often rely on outdated technologies: the 2G standard (GPRS), which was first introduced two decades ago, is still used to transmit vehicle data, despite the fact that even mobile phones rely on 4G now. Providers also tend to forget that vehicles are no longer isolated objects to be tracked from a distance, but are part of an intertwined transport network with elements able to "communicate" with each other.

### The fastest will be winners in insurance telematics

Thomas Hallauer, the Director of Research and Marketing at PTOLE-

MUS Consulting Group, pointed out an important niche in vehicle telematics which is still in its infancy in SE Europe: insurance telematics. Insurance premiums are no longer calculated solely on the basis of vehicle type and certain other criteria; instead, insurance companies now also look at the mileage and driving style, both of which are measured by in-vehicle telematics systems. This manner of determining premiums is well established in the US, Italy, Great Britain and a few other Western countries. Vehicle insurance relying on telematics has also been adopted by the largest insurance companies, such as Allianz, Axa, Generali and Zurich. "The



**Why is vehicle telematics** developing so slowly? The issue was addressed by the keynote speaker, Michael L. Sena. (Photo credit: Janez Kotar)



**Thomas Hallauer, PTOLEMUS:** "The fastest will be winners in insurance telematics." (Photo credit: Janez Kotar)



**Antanas Šegžda, Teltonika,** pointed out that telematics solution providers in SE Europe could expand beyond vehicle tracking. (Photo credit: Janez Kotar)



**Domagoj Šimecki, Telekom Austria Group M2M,** described the company's SIMplify platform. (Photo credit: Janez Kotar)



fastest out the gate will be the long-term winners,” said Mr. Hallauer and gave as an example Octo Telematics, a company based in Italy, which has managed to greatly surpass its competitors as a market pioneer.

### Telematics solutions for cargo tracking

The conference in Zagreb also hosted hardware equipment manufacturers, including the Lithuanian company Teltonika, which has become one of the largest providers of vehicle tracking equipment since its founding in 1998. Antanas Šegžda, the Sales

Director for South Europe at Teltonika, pointed out during his lecture that telematics solution providers in SE Europe could expand beyond vehicle tracking; their equipment could also be used to track cargo (each container has its own tracking device) or even employees (primarily those in dangerous professions) and thus ensure greater security and efficiency.

Domagoj Šimecki, Senior M2M Consultant at Telekom Austria Group M2M, presented solutions offered by telecommunication providers for vehicle telematics systems and described his company’s SIMplify platform, which allows absolute control over SIM cards in

vehicles and in other “smart” devices.

### How to reduce fuel consumption?

Dr. Marta Svoljšak Jerman, the Director of Technical Development, Quality and Safety Sector at Petrol, spoke about the challenges in reducing fuel consumption – an issue of great importance to vehicle fleet owners who equip their vehicles with telematics solutions in order to conserve fuel. The lecturer mentioned new fuel additives being developed at Petrol and emphasized sustainable development, including relevant European directives, such



**Dr. Marta Svoljšak Jerman, Petrol**, emphasized European Directives on providing energy from renewable sources. (Photo credit: Janez Kotar)



**Yury Panikov, Omnicomm**, presented the advantages and disadvantages of fuel measurement systems. (Photo credit: Janez Kotar)



**Vuk Nikolić, TruckTrack**: Startups bring freshness and new ideas into the business world. (Photo credit: Janez Kotar)



**Gorjan Agačević, Amodo**, focused on insurance telematics potentials in SE Europe. (Photo credit: Janez Kotar)

as renewable transport fuel provisions (EU member states must reach a 10 percent share of transport fuel from renewable sources by 2020).

Energy consumption can also be reduced by using measuring sensors which allow extremely precise measurements of fuel levels inside fuel tanks and thus also prevent theft. Such sensors were described by Yury Panikov, the Head of Export at Omnicomm – a company that has installed more than 350 thousand sensors in the last 15 years. Mr. Panikov illustrated how simple it is to install their devices, which are used by numerous large companies, including the energy company Halliburton, the global provider of express mail services DHL, vehicle manufacturers Tatra and Lamborghini, and the airline Aeroflot.

### Fresh ideas from startups

A notable observation made at the conference was that the number of telematics solution providers in SE Europe is growing. According to some estimates, the region has nearly 300 providers. About 20 of them are large companies that have equipped tens of thousands or even several hundred thousand vehicles. Most, however, are small companies that track only a few hundred vehicles. The smaller providers often present a nuisance for larger companies, since they offer services at very low prices and because their solutions are oftentimes unreliable and incomplete. Nevertheless, startups bring freshness and new ideas into the business world. The issue was addressed by Vuk Nikolić, CEO of TruckTrack, a company that won an award for best startup at the Spark.me conference in Budva, Montenegro, on that very same day.

The final speaker at the conference was Gorjan Agačević from the Croatian company Amodo. He

again focused on insurance telematics potentials. He presented a market overview and gave some idea of the application which is being developed by his company and which will soon be on offer to users. Even though he was quite secretive about it, the audience was able to gather from his presentation that Amodo's system will register how much and when users drive, as well as what their driving style is like, and display that information on mobile phones.

### At the forefront are people, not technologies

The event in Zagreb concluded with a roundtable discussion on the future of telematics in the region, moderated by Conference Director Alenka Bezjak. Her guests were consultants Michael L. Sena and Thomas Hallauer, and Teodor Uranič, Sales Manager at the largest Slovenian telematics solution provider CVS Mobile. During a lively debate, Mr. Uranič brought up an important point: the development and implementation of telematics must always focus on people.

The conference, which was made possible by the sponsors CVS Mobile, Teltonika and SafeFleet, was accompanied by an exhibition fair, where the latest innovations were presented by Mobilisis and Pri-mark from Croatia, Cellocator from Israel, Sygic from Slovakia, Teltonika and Ruptela from Lithuania, SeeMe from Estonia, Omnicomm from Russia, CANGO from Romania and CVS Mobile from Slovenia. Exhibition booths were visited by over 80 participants, most of whom were thrilled by the third regional telematics conference – many have already confirmed that they are coming to the next one as well, which will be in early October of 2014 in Bucharest.



**Roundtable participants.** From left: Michael L. Sena, business consultant and keynote speaker; Thomas Hallauer, insurance telematics expert; Teodor Uranič, sales manager at CVS Mobile. (Photo credit: Janez Kotar)





**10 major producers** of hardware and software presented themselves at the exhibition. (Photo credit: Janez Kotar)



The conference in Zagreb saw the forming of many new business connections. (Photo credit: Janez Kotar)

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