

***For immediate release***

## **Telefonica chooses fonYou for cloud telephony**

***Announces new "Second Line" service using fonYou platform***

***Marks first launch of fonYou services by a Tier 1 operator***

***Barcelona, Spain; March 2, 2011*** – fonYou, the Barcelona-based cloud telephony pioneer, today confirmed the first introduction of its innovative Online Mobile Telephony (OMT) platform by a Tier One global telecoms operator.

Telefonica, one of the five largest telecom operators worldwide, has announced the launch of a virtual mobile number service using fonYou's carrier-grade OMT-9000 platform.

Called "Second Line", the Telefonica service will offer customers a second mobile phone number on their existing phone and SIM card. It will give them access to a new range of cloud-based "over-the-top" services such as visual voicemail, real-time call register and advanced filtering and blocking functions for incoming calls.

The introduction of the Second Line service by a major telco is further evidence of the increasing interest and importance of cloud-based telephony services. It follows quickly on the launch last month of the "MyTools" service by challenger South African operator Cell-C. MyTools is also based on the OMT-9000 platform from fonYou.

At last month's Mobile World Congress in Barcelona it was apparent that there was growing interest in the link between "The Cloud" and the mobile market and, according to fonYou CEO Fernando Núñez-Mendoza, Telefonica's launch of cloud-based services is a highly significant move by a Tier One operator.

"Mobile operators have seen the trend and reacted," he said. "They know that they must not leave this field open to new and challenging competitors such as Google Voice or Skype. They must get involved and compete themselves."

Núñez-Mendoza had previously warned about the dangers of largely ignoring new competitors to the telco and wireless market. Skype's share of international call traffic doubled to around 25 per cent in 2010, he said, and SMS traffic, although still strong, is facing increasing competition from instant messaging services fuelled by the growth in smartphone usage and wifi hotspots.

Nevertheless, Núñez-Mendoza had a strong positive message for operators.

"Ultimately," he explained, "it is the mobile operators who are in the best position to offer customers high-quality cloud services. They control the access networks, they can build on existing payment relationships, and they have already secured a position of trust with the customers regarding confidential information etc. They are in a good place to compete and succeed in the provision of cloud-based services."



Having secured two major contracts in quick succession, Núñez-Mendoza and fonYou are naturally in a buoyant mood.

“The opportunity to work with a major telco and to help make our services available to a user base as significant as Telefonica’s in Spain is naturally exciting but,” he added, “so is the opportunity to introduce consumer cloud services in a market such as South Africa where PC penetration is relatively low.”

“However, there is no doubt that the launch of Second Line in Spain marks the beginning of a new stage in the development of our company and demonstrates the huge potential that fonYou’s Cloud Telephony Services have for mobile operators.”

**Ends**

**About fonYou Telecom:**

fonYou, a global technology company based in Barcelona, provides carrier-grade Cloud Telephony Services for mobile operators. The company has developed a proprietary technology platform, the OMT-9000, which is connected to the mobile operators’ existing core networks and enables them to offer Cloud Telephony Services to their end customers.

These services put the end customers in total control of their mobile phone service as they allow them to configure advanced control settings for blocking, filtering or redirecting traffic; set up different voicemail greetings per contact or contact group; and access a complete history of their call records, SMS and voicemails from anywhere and in real-time.

fonYou’s Cloud Telephony Services are highly attractive both to the customers for the utility they provide as well as to the operators for increasing revenues, market share and as a customer retention tool. In addition, fonYou’s Cloud Telephony Services constitute basic building blocks which can be used by operators to quickly construct new products tailored to the needs of specific customer segments.

fonYou also operates its own mobile operator in Spain which enables the company to continuously improve its services and products and to gain valuable market insights through its own live customers.

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