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Business intelligence for the global carrier industry

Big interview

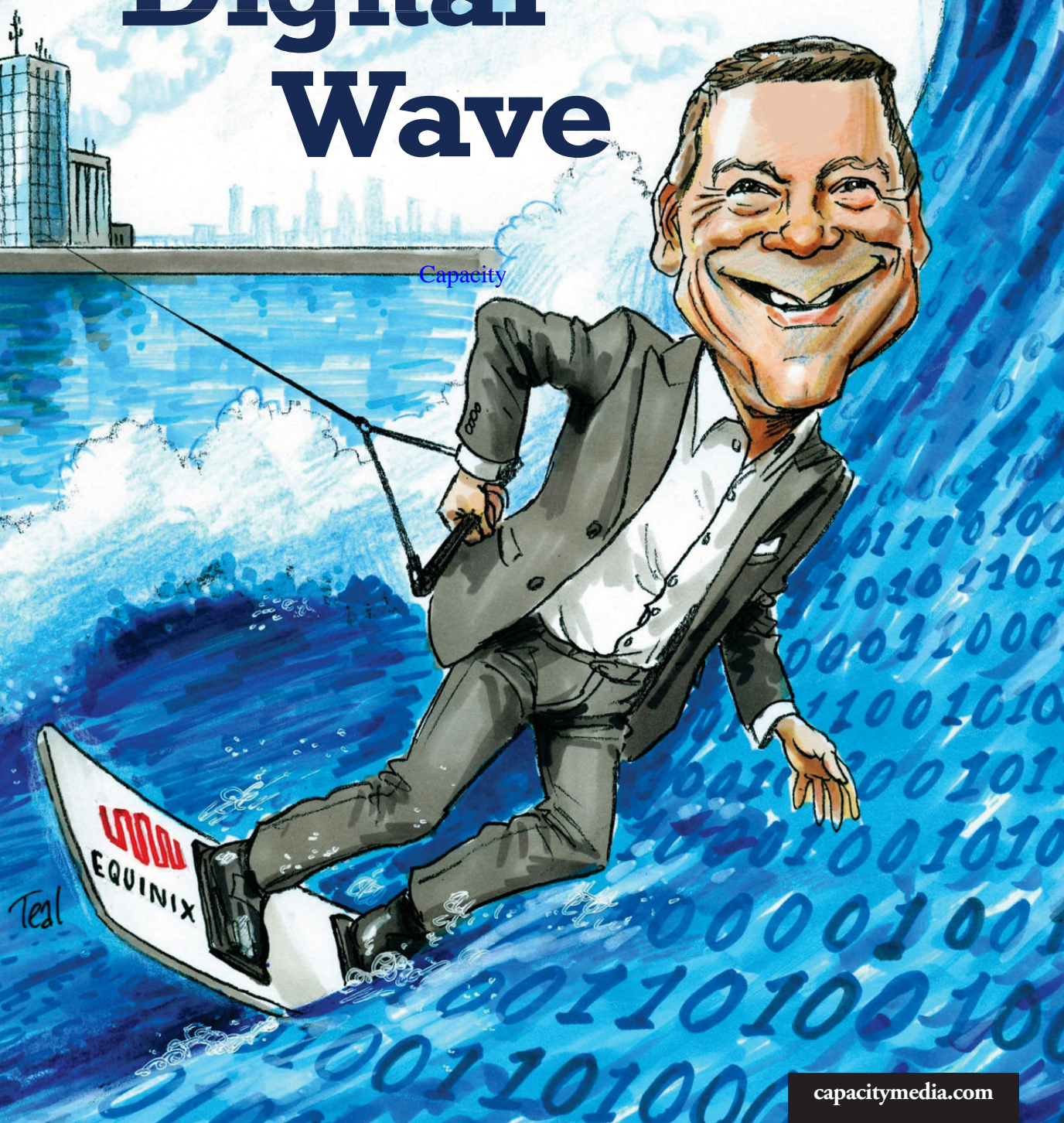
Charles Meyer tells *Capacity* about how Equinix is

Feature

Carrier vs OTT - the love-hate relationship between telcos and content providers

Riding the Digital Wave

Capacity



Behind the scenes of Sparkle's relaunch

Sparkle is transforming into a global connectivity and digital services provider so Jason McGee-Abe spoke to new CEO **Mario Di Mauro** about the bold plans ahead for the carrier

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Di Mauro has been in his new role for just under three months but has been part of the Telecom Italia family for over 20 years. "It's been a very busy start for me, having the opportunity to meet many talented and motivated people at the company. Sparkle is an asset with a great history and I'm really proud to have been chosen to lead the company into the future," he tells me.

Sparkle is a very important wholesale player with some very important assets. Its global footprint consists of many points of presence (PoPs) and 530,000km of fibre, helping to serve carrier-to-carrier business, ISPs, and the over-the-top (OTT) and content players.

As outlined by TIM's CEO Luigi Gubitosi when presenting the Group's Strategic Plan in February, the carrier has started its relaunch plans and has "lots of expertise and commitment to engage in a new journey," Di Mauro says. The man who headed up innovation at the wider Telecom Italia Group before joining Sparkle is certainly passionate

about the new priorities that are on the horizon and the changes that are afoot.

"We plan to invest more than we did in the past and also enter new business areas," he says. "It's really a journey to stronger growth and to expand our reach in all areas, especially enriching and empowering our people to embark on new initiatives."

A Champions League-Winning Team

Di Mauro has created a new framework of innovation and management from the off to make the carrier a much leaner, agile machine. Sparkle already has a very strong team but Di Mauro tells Capacity that he's "bringing in new people and mixing the culture up on our new journey".

The CEO wants Sparkle to compete at an even higher level and describes its investments as "a sign that Sparkle wants to play the game at the top level of the Champions League". Using Di Mauro's football analogy, he's the new manager of an Italian team looking to reawaken and reinvigorate the players and club to return to the very top of the game: wholesale telecoms.

His team consists of strong players but he has made some key signings to elevate the team's performance and success. This is rather reminiscent of the Italian clubs AC Milan, Inter, Roma, and Juventus, which are all sleeping giants compared to past fortunes.

As we speak, Alessandro Pansa has just been appointed non-executive chairman of Sparkle. Pansa, who has a specialised background in security, will clearly help to enhance and drive Sparkle's protection. In essence, Pansa is a world-class sweeper who will not only enhance Sparkle's defence but will boost its trustability.

"Alessandro's arrival is an honour for us and for Sparkle. I am really happy that he joined Sparkle, with his domestic and international experience in security." Di Mauro has also reduced the span of control within Sparkle. "In line with our relaunched strategy, we need to execute and run like a start-up. I need a new lean model and organisation, so I've streamlined the organisation and almost halved the number of direct reports into me," he says.

New roles - chief corporate officer, chief strategic marketing and business



2019 **Chief Innovation Officer, TIM**

2013 **Executive vice president of strategic projects**

2010 **Vice president of business evaluations**

2008 **Vice president of international planning and control, TIM**

1998 **Head of planning & control and investment projects, TIM Latam**

"Execution, agility and innovation are key drivers of our relaunch plan," he responds. "We have already set up working groups and processes to be more agile, improving time to market, we will also onboard new skills."

Sparkle plays not only a strategic role for Italy and the Mediterranean basin but globally too. It has critical important infrastructure and cable systems and Di Mauro says that the company is going to continue to enhance its investment levels in infrastructure.

"We're investing to relaunch the core business through the deployment of new footprints in selected areas, particularly the Mediterranean basin, Latam and Middle East," he says. The Mediterranean is a huge strategic area for Sparkle and Di Mauro details the significance of its recent investment in BlueMed, which is a submarine multi-fibre cable linking its Sicily Hub in Palermo with Genoa.

Sparkle's Sicily Hub serves 18 international subsea cables and with BlueMed connecting

East and Africa regions in future: "I believe they have a lot of opportunity for Sparkle as we already have a strong presence in several countries and this will surely only grow. Eastern Europe is very important for us, especially Israel, Greece and Turkey."

"The same applies to western Europe and we have some good programmes there as well."

Game-Changing Tech

The CEO also has his sights set on the power of cloud and the edge. "Everything's in the cloud and connectivity is evolving to managed, secure, ultra-low latency connection. Sparkle has to ignite new digital business on top of infrastructure, which means evolving the offer from commodity connectivity to managed connectivity, which offers digital solutions to address the needs of enterprises customers."

SD-WAN connectivity, security-as-a-service are major things that telcos are also leveraging as value propositions. "The future digital world will be increasingly driven by the growth of traffic but with strong requirements of low latency, resiliency, and level of security we can add to our core business of connectivity," Di Mauro adds. "Multiply this with our cable systems and layer of services, we become even more credible and attractive to our customers."


Di Mauro states AI and big data, which he's worked extensively with, are "key pieces which will complete the make-up of a telco's DNA and business model in the future."

"Given the trends of our new digital society, we need to reconsider our DNA. To not just look at infrastructure but beyond that at how these assets are managed, what layers of service can we deploy, and how can we provide these services to our customers."

Being a global company, the use of automation and AI is a must and Di Mauro says Sparkle needs to complete this journey over a three-year strategic period. He wants all of its networks to leverage the power of automation, software-defined networking (SDN) and network virtualisation.

"Under my tenure, we will now look to accelerate this programme of innovation and automation, which also includes big data and blockchain," he says.

After the interview finishes I reflect on the discussion and the almost infectious enthusiasm that Di Mauro brings to the table, although recognising that "the relaunch plan is a major challenge for all of us but here at Sparkle, we never give up!"

What's clear to me is that the plans to relaunch Sparkle are very exciting indeed and they have repositioned their processes in a more agile and innovative way. Coupled with the new faces and experience that have been added to the Sparkle squad, he is on the verge of innovating and waking up this Italian carrier to play at the very top of the Champions League. 

"In line with our relaunched strategy, we need to execute and run like a start-up. I need a new lean model"

Mario Di Mauro, CEO, Sparkle

development officer, chief revenue officer, CMO, CTO - have been created.

"This new-look Sparkle will create a new innovative culture for us to better serve our customers and propel us forwards in a changing marketplace."

Investment & Expansion Plans

Di Mauro believes the marketplace is evolving quickly, especially with the Gigabit Society (5G, UBB, AI, IoT, security, analytics) requiring digital solutions (smart connectivity, cloud, security, convergence, big data, IoT). "This poses a challenge to global carriers like Sparkle who need to evolve rapidly their offer on top of pure connectivity and create value for customers," he says.

What's clear now is that Sparkle has a clear mission and bold ambitions to lead the change in the Gigabit Society and become a global connectivity and digital service provider. With global IP traffic expected to jump with the advent of 5G and IoT, more and more capacity and lower latency are simply put: vital in order to keep pace with surging IP traffic. I ask the CEO how he is going to implement the relaunch plan.

up to Milan's rich digital ecosystem, its assets should attract even more customers looking for route diversification. "The system is set to be operational by 2020 and will provide advanced connectivity between the Middle East, Africa, Asia and the European mainland hubs with up to 50% latency reduction than existing terrestrial cables connecting Sicily with Milan," Di Mauro claims. He adds that BlueMed will run in parallel to the terrestrial backbone and is "a natural alternative to some established, traditional routes". He hints at Sardinia and Corsica as other regions in the Mediterranean for the "highway of the future" may extend to.

Sparkle wants to enforce its presence around Latin America, which is like a second home to Di Mauro given his experience in the region, by leveraging its \$300 million investment in the Seabras-1 cable system, which connects Brazil and the US. "We want to enhance our presence on the Pacific side of Latin America and we want to also grow in Mexico, Central America and North America," Di Mauro divulges.

The CEO adds that Sparkle will have a much more dedicated focus on the Middle