

# Walkie talkie Kordia

Chris Keall | Wednesday February 18 2009 - 09:07pm



What's a state-owned enterprise doing in a business like this? Kordia teams with Motorola to launch two-way digital radios that will run on the new 'KorKor' network, saying there's a local market for up to 100,000 of the \$1640, GPS-packing gadgets.

On paper, you can plot how Kordia got here. The organisation formerly known as BCL is set to lose its core business when the government pulls the plug on analogue TV broadcasts, likely between 2011 and 2014. The changeover to all-digital TV is already happening in the US, after Republicans [foiled](#) President Obama's attempt to delay the transition.

Kordia has been aware of this fate for some years. Under chief executive Geoff Hunt, it's made energetic (if increasingly debt-laden) attempts to diversify, from hosting SD and HD Freeview channels at [up to \\$1.8 million](#) p.a. a pop to buying a retail ISP (Orcon, for \$24 million) to its [quest](#) to build a second submarine cable across the Tasman.

Now, the state-owned enterprise is entering yet another market: pushing the \$1640 Motorola MT850 digital two-way radio, plus an in-vehicle model, the Motorola MTM800 (also \$1640). Both will be sold through Motorola dealers and bundled with plans to run on Kordia's new (don't cringe) "KorKor" digital radio network on either a \$45/month or \$75/month KorKor plan.

It seems like Mr Hunt and his team have identified another valid business opportunity.

Digital two-way radios have barely been seen here, but overseas they've already taken off.

They represent an evolutionary leap over older, analogue radio telephones (RTs).

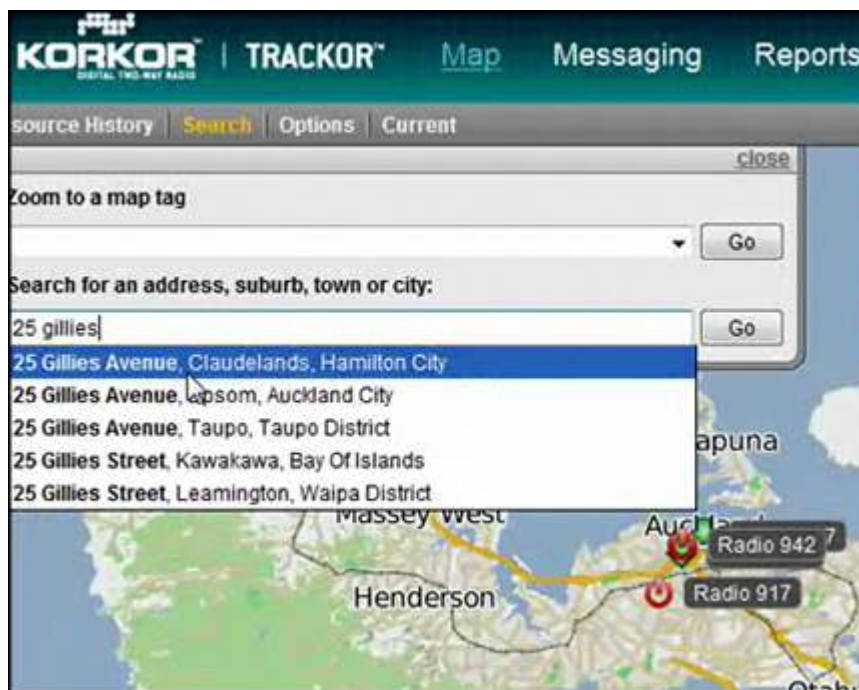
First off, a digital RT might look like a shoe-phone, but it's still half the size of an analogue model.

The digital version still lets you make a "half duplex" or one-way call in the style of old analogue RTs, saying "over" as you finish speaking.

But you can also make two-way or "full-duplex" calls, no "over" required, with the digital audio signal retaining perfect fidelity however far away each caller (as long as both are within Kordia's coverage area, which will initially be Auckland, Hamilton, Wellington and Christchurch). Like digital TV, it's an all-or-nothing deal. You either get a perfect signal, or nothing, with none of the analogue fade.

Traditional half-duplex calls will be free; full-duplex calls will be covered under one of two monthly KorKor plans, priced at \$44 and \$75.

Under the paid monthly plans, you can also use a Korkor to place a call to a regular cellphone or landline, or send a text.



You also get access to TraKor, Kordia's PC-based, web-hosted GPS system which, thanks to maps from Hamilton's SmartTrack and a GPS chip inside each KorKor, lets you see on an onscreen map where all your staff are located.

While Google's Latitude [now offers](#) this service for free, a rep for Kordia says TrackCare lets you see the real-time location of up to hundreds of staff, plus analysis frills such as being able to trace their historic movement. A KorKor also gives you a distress button, which will alert others on your network to your exact location, via GPS.

Kordia reckons the addressable market for the two \$1640 digital radios and its \$45 to \$75 plans is between 60,000 and 100,000 people – the rough estimate of the number of security guards, tradespeople and others currently using analogue RTs. And in demo at least, add-ons like TracKor look slick (check out the vid on the [KorKor](#) site).

Somewhere, a construction crew foreman will communicate with his crew much more efficiently. Kordia could well profit.

But the question lingers: does the government need a state-owned enterprise in the walkie-talkie business?