



Meeting customer requirements – Constraints faced by Service Providers

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What the customer wants

- Safe and compliant service
- Cost effective solution
- Simple service proposition
- Reliable service
- High quality support
- Choice

ENC Stakeholders – Some Needs

- Equipment manufacturers
 - Support of development
 - Resolving customer problems
- Distributors
 - Sound service proposition
 - Demonstration capability
 - Customer service support
- Ship owners / Mariners
 - Service trials

Lack of consistency in Terms and Conditions of ENC use

- Hydrographic Offices
- RENCs

Concessions

What are they?

The ability to offer free trial, demonstration and developer licenses to support sales

Issues:

- Not all suppliers allow concessionary licenses
- Some suppliers excessively limit volume of concessions within a fleet

Cost of using ENC's in ECDIS

- Factors affecting the cost
 - Base ENC cost
 - Scheming
 - Flexible licensing
 - Number of users

Base ENC cost

- Wide variability on cost per ENC
 - \$2 - \$30+ per ENC
 - Licensed for one year including all updates
- Annual licence not suited to some vessel types
 - Perceived by many ship owners as being too expensive.

Flexible Licensing

The ability to buy on shorter period than 12 months

Issues:

- Some nations do not allow at all
- Not all nations all 3,6 & 9 month
- Different discount structures used
 - 36%, 60% & 80%
 - 25%, 50% & 75%

Scheming of ENC's

What is this?:

The way HO's arrange production of their ENC's

- A wide variety of coverage area

Service Providers sales propositions

- Individual ENC
 - Cost variable with size
- Units (group of ENC's that approximate to a paper chart)
 - User may not use all ENC's in the unit
- Folios
 - Grouping of all ENC's in an area for a particular navigation purpose

Issues:

- Can affect customer perception of value for money
- Not possible to meet all customer wishes with a single system

Number of Users

What does this mean?

The maximum number of ECDIS systems that can be used when paying for a single ENC licence.

Issues:

- Different suppliers have different limitations – the majority allow 5 but some only 2 concurrent users

Further Considerations

- Individual ECDIS capability
- Vessel installation
- Navy requirements

Non-Navigational Use

- Increasing interest in shore based use
- Constraints
 - Existing distribution agreements are too restrictive
 - Existing pricing is too high for non-navigational use

Conclusions

There is a need:

- for closer co-operation between HOs on licensing terms and conditions
- for HOs and RENCs to be responsive to service providers
- to ensure innovation is not stifled