

MTS Contract With Yevroset at Risk

By [Rachel Nielsen](#)

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Yevroset says a possible ownership change won't affect its ties with MTS. **Maxim Stulov**

Mobile TeleSystems could face an uphill battle to keep selling service plans through Yevroset because of possible ownership changes at the mobile dealership, but the chain says its shareholders have no influence on sales arrangements.

Yevroset president Alexander Malis told The Moscow Times that his company is "prepared to work with all operators on market terms."

Currently, Yevroset sells SIM cards and related mobile service plans for all of the Big Three mobile providers: MTS, MegaFon and VimpelCom. Such sales "depend only on each operator's decision to work with us or not," Malis said by e-mail.

"In any case, Yevroset isn't getting ready to cut off anyone because of the shareholder makeup," he added.

Vedomosti reported Monday, citing anonymous sources, that MTS sales at the dealership are

at risk. Yevroset will need to review the terms of its contract with MTS on the back of MegaFon's plans to acquire a stake in Yevroset, according to the sources.

Controlled by metals magnate Alisher Usmanov, MegaFon has applied to the Federal Anti-Monopoly Service to acquire a 50 percent stake in Yevroset, Interfax reported Monday.

VimpelCom holds 49.9 percent of the chain, according to Interfax.

That could lead to a situation in which MTS is squeezed out of the leading mobile dealership, leaving only VimpelCom and MegaFon.

MTS spokeswoman Valeria Kuzmenko said the company couldn't comment on the future of its contract with Yevroset.

"We can't say anything about this deal. It isn't our company," she said by text message.

VimpelCom spokeswoman Anna Aibasheva said the operator does "not expect any major changes in its cooperation with Yevroset."

"We don't rule out the possibility that the entrance of [MegaFon] into Yevroset's share capital will bring about a more effective model of cooperation between the operators and Yevroset," Aibasheva said by e-mail.

In particular, that could mean "the optimization of dealer payment models and a transition to a revenue-sharing model," she said.

MegaFon couldn't be reached immediately for comment.

The government's proposal to allow mobile subscribers to keep their telephone number when switching providers has hit a snag, Vedomosti reported Monday.

The Economic Development Ministry said the Communications and Press Ministry's proposal on mobile number portability has procedural and funding shortcomings, according to the newspaper.

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