

BRASIL TELECOM HOLDING CO
Form 6-K
April 02, 2008

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934**

THROUGH April 02, 2008

(Commission File No. 1-14477)

BRASIL TELECOM PARTICIPAÇÕES S.A.
(Exact name of registrant as specified in its charter)

BRAZIL TELECOM HOLDING COMPANY
(Translation of Registrant's name into English)

**SIA Sul, Área de Serviços Públicos, Lote D, Bloco B
Brasília, D.F., 71.215-000
Federative Republic of Brazil**
(Address of Registrant's principal executive offices)

Indicate by check mark whether the registrant files or will file
annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K
in paper as permitted by Regulation S-T Rule 101(b)(1).

Indicate by check mark if the registrant is submitting the Form 6-K
in paper as permitted by Regulation S-T Rule 101(b)(7).

Indicate by check mark whether the registrant by furnishing the
information contained in this Form is also thereby furnishing the
information to the Commission pursuant to Rule 12g3-2(b) under
the Securities Exchange Act of 1934.

Yes No

Edgar Filing: BRASIL TELECOM HOLDING CO - Form 6-K

If "Yes" is marked, indicated below the file number assigned to the registrant in connection with Rule 12g3-2(b):

Brasília, April 2nd, 2008.

Overview and Strategy

1

Brasília, April 2nd, 2008.

Main Actions in the Restructuring Process

Single Supplier Project

Single Supplier Project

REDUCES RISKS	SIMILAR MOVEMENTS WORLDWIDE	
Reduces risks of suppliers (financial)instability	New Zealand Fixed, mobile, data Alcatel-Lucent plans, operates and maintains the network	Fixed, mobile IBM operates IT area
Reduces labor risks and costs		
Has no risk of dependency, for technological density is low	Mobile Ericsson plans and operates the network	Mobile Alcatel-Lucent plans, operates and maintains the network

BrT Call Center and Ryan Project

SITUATION	COMPLICATION	SOLUTION
Service areas with quality rates below expected	Constant introduction of new products (mobile, broadband, providers, IPTV)and promotion packages	Implementation: RYAN PROJECT
Rate of satisfaction with service is of 67%. Dissatisfactory, considering the company receives 34 million* calls per month	Contractor (Teleperformance)manages the Call Centers	Creation: BrT CALL CENTER

* 16 million retained at URA and 18 million received by an operator

BrT Call Center and Ryan Project

RYAN PROJECT

Mapping of the problems faced by customers in their experience with BrT

Correction of systems, processes and training failures found

BrT CALL CENTER

Termination of agreement with Teleperformance

Internalization of this operation with the creation of a wholly-owned subsidiary (> 10,000 operators)

Direct control over operation

New business unit as of 2009

FIRST RESULTS

Quick service (customers serviced in up to 20 seconds)

DEC 06	DEC 07
69%	82%

Customer satisfaction with the Call Center service

DEC 06	DEC 07
67%	74%

Global cost of the service operation: (R\$ million/month)

JAN 06	JAN 07	JAN 08
25.1	21.0	17.9

Videon Launch

Strategic Movement

Pioneer initiative in the country

Pilot project in Brasilia

2006 and 2007 Results

	2005	2006	Δ %	2007	Δ %
Gross Revenue (R\$ million)	14,687	15,111	+3%	15,997	+6%
Operational Expenses Cost (R\$ million)	7,429	6,803	-8%	7,262	+7%
EBITDA (R\$ million)	2,709	3,494	+29%	3,797	+9%
EBITDA Margin (%)	27%	34%	+7p.p	34.4%	+0.4p.p.
Net Income (R\$ million)	-30	470	N.A.	671	+43%
CAPEX (R\$ million)	1,978	1,451	-27%	1,399	-4%
Net Debt (R\$ million)	1,955	1,312	-33%	490	-63%
Mobile Accesses (thousand)	2,213	3,377	+53%	4,263	+26%
Broadband Accesses (thousand)	1,014	1,318	+30%	1,568	+19%

Movements for 2008

Corporate Governance

10

Brasília, April 2nd, 2008.

Actions Implemented by the Corporate Governance Program

Redesign of the Governance Portal (layout, navigability, new contents, user manual and etc...)

Consolidation of procedures for the holding of corporate events (Board of Directors, Fiscal Council and Shareholders Meetings), with definition of the corporate chronogram, agenda and call notices.

Support to the implementation of good corporate governance practices

- Creation of the Board of Directors Internal Regulation
- Creation of Advisory Committees to assist the Board of Directors (Processes, Risks, Compensation and People Management), and elaboration of the respective regulations
- Support to the Board of Directors self-evaluation

Actions Implemented under the Corporate Governance Program

Support to the implementation of good corporate governance practices

- Revision of the decision process with the implementation of the Company's Area of Authority.
- Implementation of the Joint Management concept, with amendments to the Company's Bylaws.
- Revision of the Company's Information Disclosure and Use and Securities Trading manual.
- Deepening of discussions and initiatives regarding Sustainability in the Company.
- Maintenance of the quality standards in corporate events.

Corporate Risk Management as a way to improve the Governance Model

Risk Management Attributions and Pillars

Evolution of SOx for Corporate Risk Management

The Industry and Regulatory Matters

16

Brasília, April 2nd, 2008.

Agenda

Initial Considerations

Key Trends of the Business

Regulatory Matters

Brasil Telecom's Strategic Axis

Transformation in the Telco Sector

The new network generation (multi-service IP) and mobility allow for the so-called ubiquitous services: anything (voice, data and video), anytime, anywhere.

Consumers and companies will increasingly be attracted by service providers who offer complete solutions, accessible anytime, anywhere.

Innovative business models, more adequate to modern times, end up being a matter of survival.

Key Trends of the Business

	Drivers and Evidences
Fixed-mobile substitution	The fixed-mobile substitution keeps growing in Brazil and worldwide
Broadband growth	On the basis of the pyramid and in the young segment, the substitution effect is more accentuated
New technologies (wireless)	Attack movements of mobile operators, such as Home Zone encourage the traffic migration even more

Key Trends of the Business

	Drivers and Evidences
Fixed-mobile substitution	In Brazil, penetration increased 32% in 2007: - Economic expansion, credit, incentives, etc. Diffusion of computers is a fundamental requisite for universalization Governmental actions might speed up the universalization process Municipal initiatives to promote free access start to be worrisome
Broadband growth	
New technologies (wireless)	

Key Trends of the Business

Fixed-mobile substitution	Drivers and Evidences
Broadband growth	<p>3G already has global scale and was bid by the end of 2007 in Brazil</p>
New technologies (wireless)	<p>WiMAX is an opportunity for network supplementation, threatening concessioners with the entry of new players</p> <ul style="list-style-type: none"> - Fixed WiMAX is already in operation in some countries, while mobile WiMAX will be a reality by 2009 - It will have an opportunity for success in 3 specific applications: alternative networks, developing regions, and rural zones - However, these opportunities tend to represent a marginal stake of the global market <p>In Brazil there are licenses already, acquired in 2003, and a new bid might be held within the upcoming months</p>

Other Key Trends of the Business

VoIP Emergency	Drivers and Evidences
Advance in TIC chain	VoIP poses a threat to the fixed voice market, and tends to increase with the broadband expansion
Erosion of the business frontiers	Phone-to-phone model via cable operators is clearly the largest threat among the VoIP players
Content and aggregation	Broadband penetration and price are the key drivers of VoIP adoption

Other Key Trends of the Business

VoIP Emergency	Drivers and Evidences
Advance in TIC chain	IT & Telecom joint purchase is a reality
Erosion of the business frontiers	Supplementary logic for the entry of new telecom operators includes: differentiation, profitabilization, attack and defense
Content and aggregation	Telecom providers positioning in the TIC chain and the means of entry might change, but some successful cases start to consolidate

Other Key Trends of the Business

VoIP Emergency	Drivers and Evidences
Advance in TIC chain	Bundles play a key role in the market: - In the USA they represent 30% to 40% of the market, while the triple play accounts for 20% to 25%.
Erosion of the business frontiers	Bundles have a very strong rationale for operators and customers
Content and aggregation	Triple play will be the most expressive bundle and TV will play a core role

Other Key Trends of the Business

VoIP Emergency	Drivers and Evidences
Advance in TIC chain	
Erosion of the business frontiers	Strong growth of mobile ARPU in the USA; 71% of the content revenue is from traffic
Content and aggregation	In Brazil, SMS is still little diffused

Regulatory Matters

VOICE:

Numberportability in fixed and mobile

Resale of minutes

VoIP Regulation

Efficient use of spectrum

PGO Revision

DATA:

Invitation to bid for remainders of 3G (H Band)

WiMAX invitation to bid

VIDEO:

PL/29 Pay-TV sector and Cable Law

Grant Plan for cable TV and MMDS

RATES:

Cost models for interconnection of network use (fixed and mobile)

WACCRegulation

Strategic Axes

Portfolio <i>Develop increasingly convergent services for each customer segment</i>	Fixed voice	<i>Limit erosion through segmentation, loyalty, retention, use of installed capacity and with products for the low-income segment</i>
	Broadband	<i>Grow with profitability, exploring capillarities, expanding wireless coverage, striving against competition, and seeking the lower-income segment</i>
	Mobile	<i>Maintain growth with offers which are appropriate for each region and segment, increasing scale and assuring profitability</i>
	Data	<i>Remain in the forefront in the offer of innovative services, encouraging the migration to IP solutions and developing new markets and businesses</i>
	Internet	<i>Explore the market opportunities, increase the ARPU and take steps towards being a Web 2.0 provider</i>

New Technologies *Use emerging technologies (Wi-Fi, WiMax, 3G, FFTX, etc.) so as to keep a portfolio which is always up-to-date and innovative*

Acquisitions *Seek inorganic growth opportunities in telecommunications and correlated segments*

Regulatory
Having a harmonious and constructive relationship

Operating Efficiency
Managing inputs and resources so as to ensure the value generation goal

Customer Service
Internalizing the service so as to improve quality and the sub-segmented treatment to customers

Operations, Network Evolution and New Services

Brasília, April 2nd, 2008.

Operation Strategic Macro Guidelines

Growth Drivers

Keep on expanding the mobile operation so as to gain scale, assuring profitability.
Expand the broadband operation with segmented bundles, improving the profitability.

Business Defense

Minimize the drop in the fixed voice operation through convergent customer loyalty and expansion in low- income segments.

Mobile Operation

Keep on expanding the operation so as to gain scale, assuring profitability

Mobile Operation Growth

Brasil Telecom s 3G Operation

3G Positioning

3G means more than data, speed and even voice

Improved spectral efficiency

Reduced network cost

In addition to advanced products such as Mobile Video and Mobile TV, Brasil Telecom will use 3G to leverage core products in the Brazilian market, such as voice (FLAT FEE) and SMS.

Broadband Operation: High-Speed Internet Access

Keep growth with profitability

ADSL Broadband

Mobile Broadband

Broadband Growth and Penetration

Broadband access growth

Broadband Accesses (x 1,000)

Company	2006	2007	Variation
Brasil Telecom	1,318	1,568	+ 19%
Telemar	1,128	1,518	+ 35%
Telefônica	1,607	2,053	+ 28%
GvT	137	246	+ 79%
Net	862	1,423	+ 65%

Broadband penetration in fixed lines

Broadband / Lines in Operation (%)

Company	2006	2007
Brasil Telecom	16%	20%
Telemar	8%	11%
Telefônica	13%	17%

Broadband Operation: High-Speed Internet Access

Keep growth with profitability

ADSL Broadband

Mobile Broadband

Mobile Broadband: Internet Everywhere

Brasil Telecom Videon IPTV: Coverage Expansion

1st Operator to launch in Brazil in Sept-07

The expansion of the service is subject to a positive sign of the possibility that we can offer a complete product, including pay-TV (PL 29).

Fixed Voice Operation

Limit the shrinking of fixed voice

Total Control

Concept & Characteristics

-100% fixed prepaid plan, targeted at the low-income segment (C, D and E). There are 3 plans: 50,100 and 200 minutes, which can be used for local calls to any BrT fixed or mobile phone;

- 43% of the clients who acquired the product never had fixed telephones, and the others (57%) were out of the base for at least 5 months.

Sales action: Door-to-Door (Arrastão)

Single Phone: Fixed-Mobile Convergence

Fixed and cell phones in one single device

Single Phone Evolution: SIP/WiFi

Mobility of fixed telephone

Savings, convenience and simplicity

Flat tariff on WiFi network, with no geographical restrictions

Automatic Handover from the WiFi to the mobile network

Automatic connection in Wi-Fi networks

Brasil Telecom **Bundles of Convergent Offers**



Focus on sales growth and customer loyalty of the current base

Pluri Bundles

Pluri Bundles

Results and 2008 Guidance

Brasília, April 2nd, 2008.

Agenda

Results Evolution

Balance Sheet Analysis

Financial Management

Cash Flow

2008 Guidance

Market Disclosure Policy

Results Evolution

47

Financial Performance

* Dividends of Brasil Telecom S.A. excludes payment to Brasil Telecom Participações.

Operating Costs and Expenses

Revenue Growth

Balance Sheet Analysis

51

Balance Sheet - Assets

	2006	2007
	R\$ million	
CURRENT ASSETS	7,498.1	7,436.0
Cash and cash equivalents	4,063.4	3,893.5
Accounts Receivable (Net)	2,127.7	2,189.7
Deferred Taxes and Taxes Recoverable	944.1	804.5
Other	363.0	549.3
LONG-TERM ASSETS	2,128.4	2,967.1
Loans and Financings	2.9	6.2
Deferred Taxes and Taxes Recoverable	1,649.5	1,793.2
Other	476.0	1,167.7
PERMANENT ASSETS	8,167.3	7,026.2
Investments (Net)	330.1	201.5
Property, Plant & Equipment, and Intangible (Net)	7,698.8	6,713.8
Deferred Assets (Net)	138.5	111.0
TOTAL ASSETS	17,793.8	17,429.3

Balance Sheet - Liabilities

	2006	2007
	R\$ million	
CURRENT LIABILITIES	4,852.4	4,727.4
Loans and Financings	1,109.5	496.8
Suppliers	1,474.7	1,483.0
Taxes, charges, and contributions	893.3	832.2
Dividends Payable	614.4	1,016.5
Other	760.5	898.9
LONG-TERM LIABILITIES	5,852.7	5,629.7
Loans and Financings	4,265.6	3,886.6
Other	1,587.1	1,743.1
MINORITY INTEREST	1,811.1	1,825.7
SHAREHOLDERS' EQUITY	5,277.6	5,246.5
Capital Stock	2,596.3	2,596.3
Capital reserves	309.2	309.2
Profit reserves	306.3	266.0
Retained Earnings	2,086.6	2,095.9
Treasury Shares	(20.8)	(20.8)
TOTAL LIABILITIES	17,793.8	17,429.3

Financial Management

Financial Management

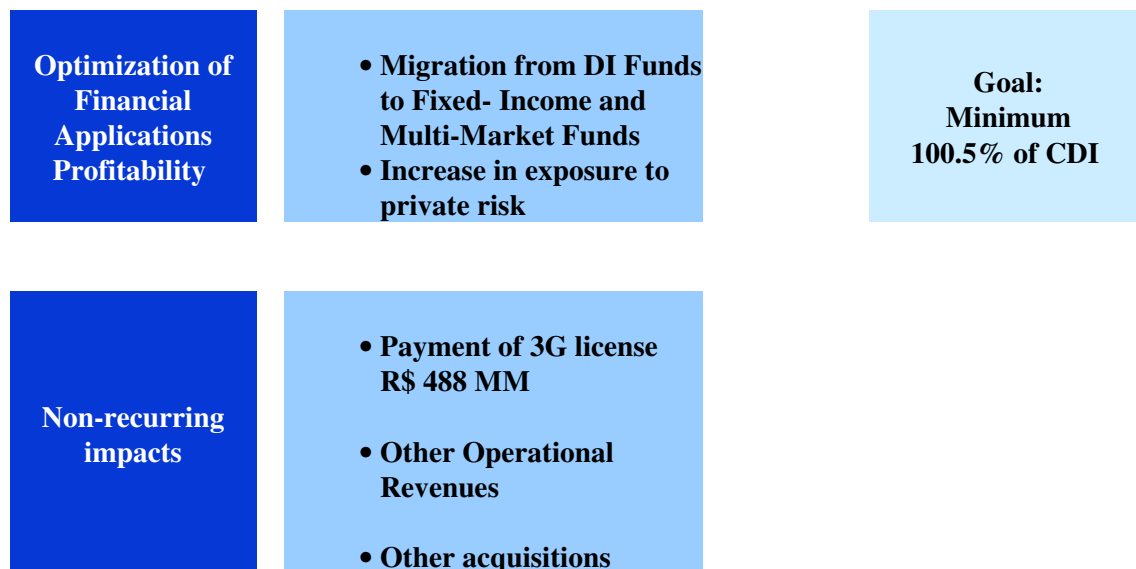
Cash Management

Debt Management

Financial Services

55

Cash Management



Debt

Main Creditors*

Amortization Schedule

As of 12/31/2007

As of 12/31/2007		R\$ Million
YEAR	TOTAL	%
2008	496.8	11.3%
2009	608.5	13.9%
2010	719.7	16.4%
2011	778.5	17.8%
2012	640.9	14.6%
2013	641.7	14.6%
2014 forward	497.3	11.4%
TOTAL	4,383.4	100.0%

* Without hedge adjustments

Debt Management

Access to attractive financing sources	<ul style="list-style-type: none">• Cost of debt is lower than Cash profitability	Cost of Debt: 80% of CDI
Liability Management	<ul style="list-style-type: none">• Advance payment of the 4th issue of debentures (R\$500 million)• Bonds Repurchase in 2009	Settled Debt Cost: 108.4% of CDI
Low foreign exchange exposure	<ul style="list-style-type: none">• Cash exposure to foreign currency: 9%	

Ratings

Fitch Ratings		Rating
BTP	IDR Issued Default Rating (Global Scale) National Scale	BBB
BTSA	IDR Issued Default Rating (Global Scale) PRI Notes (Political Risk Insurance) National Scale Debentures 5 th issuance	BBB BBB AA+br AA+br
S&P		Rating
BTP	National Scale	brAA+
BTSA	National Scale Debentures 5 th issuance	brAA+ brAA+
Moody s		Rating
BTSA	Global Scale Debentures 4 th issuance Global scale National Scale Debentures 4 th issuance National Scale	Ba1 Ba1 Aa1 Aa1

Financial Services and Relationship Program

Initiatives to generate new income sources and Retain Clients

Main Initiatives

Financial Services
- BrT s co-branded Credit Card
- Consumer Credit - CDC
- Personal Loans
- Insurance
Relationship Program

Main Goals

Generate new source of revenue
Reduce churn
Shield base for portability
Increase products sales

Other Initiatives

Mobile Payments
Online Payments

Cash Flow

61

Cash Flow

R\$ million	2006	2007	Variation
Operating Activities	2,385	2,409	<ul style="list-style-type: none"> • Court deposits R\$ 872 MM
Investing Activities	(1,490)	(1,270)	<ul style="list-style-type: none"> • CAPEX Management
Financing Activities	454	(1,309)	<ul style="list-style-type: none"> • Advanced amortization of Debentures R\$ 500 MM • BNDES Amortization R\$ 800 MM
Cash Flow in the Period	1,349	(170)	<ul style="list-style-type: none"> • Dividend Payment R\$ 493 MM • New BNDES Financings R\$ 600 MM

2008 Guidance

Result Indicators Consolidated

	2006	2007	2008 Guidance Variation %
Net Operating Revenue (R\$ million)	10,297	11,059	~ +3.4%
Operating Costs and Expenses (R\$ million)	(6,803)	(7,262)	~ +2.8%
EBITDA (R\$ million)	3,494	3,797	~ +4.5%
Number of Fixed Accesses	8,418	8,034	Stable
Number of Broadband Accesses	1,318	1,568	~ +22%
Fixed ARPU (R\$)	71.12	78.97	~ -5.0%
ADSL ARPU (R\$)	67.10	71.70	Stable

Mobile Telephony

	2006	2007	2008 Guidance Variation %
Services Net Revenue (R\$ million)	1,247	1,746	~ +8%
EBITDA (R\$ million)	(142)	54	~ +200%
Number of Mobile Accesses (thousand)	3,377	4,263	~ +30%
Mobile ARPU (R\$)	31.30	34.20	Stable

CAPEX / Net Revenue

CAPEX (R\$ million)	Guidance
Operating / Regulatory / 3G	1,700
3G License	500
TOTAL	2,200

Permanent negotiation with suppliers

Creation of Internal Investments
Committee

Positive impact of exchange variation

Market Disclosure Policy

67

Market Disclosure Policy

Financial Reports	Additional Disclosures	Focus on Investor
Quarterly Results Management Report (yearly) Filings with CVM, SEC, NYSE All information released in Portuguese and English (BTP and BTSA) IFRS	Key business drivers and non-financial measurements Website in line with the best corporate governance practices Guidance: Board of Executive Officers financial forecasts	Customer satisfaction surveys Quarterly conference calls and webcasts Participation in local and international roadshows and conferences Meetings with analysts and investors Annual Investors Day event

Exhibits

69

Cash and Cash Equivalents

LIQUIDITY PER COMPANY	Cash		Net Debt	
	2006	2007	2006	2007
Brasil Telecom Participações	1,432.3	1,462.9	(1,432.3)	(1,462.9)
Brasil Telecom Cons. (except for Mobile)	2,172.1	931.8	3,183.4	3,431.3
Brasil Telecom Celular	459.0	1,498.8	(439.2)	(1,478.5)
TOTAL	4,063.4	3,893.5	1,311.9	489.9

Sundry Assets

SUNDRY CURRENT ASSETS	2006	2007
Other Amounts Recoverable	104.2	124.2
Court Deposits	119.1	329.4
Inventories	64.2	32.7
Other	75.5	62.0
TOTAL	363.0	548.3

SUNDRY LONG-TERM ASSETS	2006	2007
Income Securities	3.3	3.7
Court Deposits	429.9	1,069.1
Other Assets	42.8	94.9
TOTAL	476.0	1,167.7

Disclaimer

This presentation contains forward -looking statements. Such statements are not statements of historical fact, and reflect the beliefs and expectations of the Company's management. The words anticipates , believes , estimates , expects , forecasts , intends , plans , predicts , projects and targets and similar words are intended to identify these statements which necessarily involve known and unknown risks and uncertainties. Accordingly, the actual results of operations of the Company may be different from the Company's current expectations, and the reader should not place undue reliance on these forward -looking statements. Forward -looking statements speak only as of the date they are made, and the Company does not undertake any obligation to update them in light of new information or future developments.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: April 02, 2008

BRASIL TELECOM PARTICIPAÇÕES S.A.

By: /s/ Paulo Narcélio Simões
 Amaral

Name: Paulo Narcélio Simões
Amaral
Title: Chief Financial
Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
