

# Thales Navigation Becomes Magellan Navigation

## Merge of Consumer and Professional GPS Technology

Meet Magellan Navigation, the company formerly known as Thales Navigation. Shah Capital Partners (SCP), the organisation that did the investment, saw the company as a compelling investment opportunity. According to Claire Geffroy, spokes person for Thales Navigation, it is a 100 per cent positive change: "We were lacking a focused shareholder, now we can speed up and focus on our main business."

By Sonja de Bruijn



### Design Manufacturer

TES Electronic Solutions is the new name for Thales Micro Electronics, which was acquired three years ago. SCP helped the outsource manufacturing facility become more of a contract and design manufacturer and they have done quite well with SCP support. Thales Navigation uses TES to manufacture many of its survey and GIS products, though TES acts as an outsource manufacturer with products being designed in-house at Thales Navigation.

With the take-over of Thales Navigation in July this year the manufacturing and sales of both survey and GIS products have officially come together again. Geffroy says: "In fact the Thales Group recognized that Thales Navigation has growth potential as an

independent company, and we felt the same way. The thing is that the Thales Group as such focuses on defence, aerospace and security markets which is quite distant from our main business."

Now there is Magellan Navigation, a stand-alone company trusting SCP to help accelerate its growth strategy. As the press release on July 19 states, Henry Gaillard, chief executive officer of Thales Navigation, thinks SCP is a good partner in 'increasing our leadership in the consumer, survey, GIS and OEM markets worldwide.'

### Brand Name

There are some challenges to be met. First of all Magellan Navigation will need to get its brand name known to both old and new

customers. And what to think of 'democratisation of GPS navigation'? Geffroy explains: "GPS consumer and professional technology can benefit from many points of leverage. We have expertise in consumer usability, as well as the advantages of high-volume, low-cost manufacturing. By developing a common platform and then building products on top of that platform which are designed for the markets they serve, we can increase output, decrease cycles and build greater value for the customer." Geffroy claims there will be no loss in features for the professional user of devices like ProMark or MobileMapper, and that in fact benefits like cost effectiveness can result.

### GIS and Mapping Business

Magellan will keep the same management board, the same division in consumer, survey/GIS and OEM market. The company will pursue its GIS and mapping business under a Magellan family brand, which is expected to be announced in late September. While Magellan is a strong brand name in GPS, the company wants to make sure its professional users know that Magellan will be building its name just as strongly in the survey and GIS markets. Thales Navigation was always involved in the receiver development associated with the Galileo program and will continue to develop for Galileo and take advantage of that constellation once it can truly offer value to customers.

### Transaction

Co-investors who participated with SCP in the transaction included Tudor Group, Galleon Group, Consolidated Press Holdings, AIG SunAmerica, and Eli Broad. The transaction is expected to close in the third quarter of 2006. At INTERGEO, held 8-13 October in Munich, Germany, there will be the opportunity to meet with the 'new' stand-alone company Magellan Navigation and its staff.

Sonja de Bruijn ([sdebruijn@geoinformatics.com](mailto:sdebruijn@geoinformatics.com)) is editorial manager of GeoInformatics. Have a look at [www.thalesnavigation.com](http://www.thalesnavigation.com).