

**All-in-One Wireless Communications Devices Fueling Wireless Telecom Growth,
according to TIA**

Alan J Weissberger

aweissberger@sbcglobal.net

More and more customers now want dozens of services on a single wireless device and that demand is fueling huge growth in wireless communications throughout the world, according to Telecommunications Industry Association (TIA) President Matthew J. Flanigan. His remarks were made in a keynote address entitled "**The Transformation of the Traditional Telephone Company**," at the 56th Annual International Wire and Cable Symposium on November 13, 2006. Mr. Flanigan shared insights about consumer preferences and global industry growth, as the leader of the industry group representing manufacturers and suppliers in the communications, information and entertainment industry. To read a transcript of Flanigan's speech, please refer to:

http://www.tiaonline.org/business/media/press_releases/2006/documents/WCSpeech11-13-06.pdf

"Customers want to do more and more with their mobile devices – and prefer to use only one device to handle all functions, including services typically associated with a PDA or Personal Digital Assistant," according to Flanigan. Consumers "are increasingly seeking an 'all-in-one- device' that serves as a phone and speakerphone with customized ring tones, address book, calendar, still camera, video camera, email and text messaging unit, radio, television, calculator, Web browser, voice recorder, currency converter, Bluetooth transmitter, global positioning services unit, business applications device, and game player...with unlimited battery life and maximum security," he said.

Flanigan explained basic telephone service is becoming a commodity, with traditional telcos now looking for premium services to offer and with **broadband Internet access** having become a key part of the landline telephone market. He said cable modems and digital subscriber lines are the dominant broadband technologies, while fiber, satellite, wireless and broadband over powerline are emerging broadband technologies.

Broadband deployment is fueling innovations such as voice over Internet protocol (VoIP), according to Flanigan, who added, "The Internet is becoming a platform for voice communications service." Citing data from TIA's **2007 Telecommunications Market Review and Forecast** report now in production, he said, "broadband accounts for 57 percent of Internet services in the United States in 2006. The remaining 43 percent of slower dial-up service will soon change as prices continue to fall."

Regarding wireless communications, Flanigan reported "the number of customers has now surpassed the number of landline customers in the U.S. and in many other countries, including the two most populous...China and India." Again citing the 350-page TIA market review report, he noted the U.S. has 216 million wireless subscribers, while China has 450 million and India has 129 million.

From a global perspective, it's worth noting that China's totals already exceed those in the U.S. and those in India...and TIA projects that India's wireless total will pass the

U.S. wireless figure by 2010. Of course, wireless carriers want to increase revenue, by enabling customers to do text messaging, via Short Message Service or “SMS” and by sending “IMs” or Instant Messages, as well as taking and sending pictures, playing music and video games, downloading ring tones, accessing the Internet, viewing videos and television programs... all on wireless devices. Overall, TIA thinks demand for these applications will spur investment in wireless infrastructure and new wireless devices. Customers want to do more and more with their mobile devices – and prefer to use only one device to handle all functions, including those services typically associated with a Personal Digital Assistant (PDA).

On the competition scene and regarding telecom issues in general, TIA assesses the situation in terms of the impact on the “circle of innovation.” In the circle, you’ll see telecom equipment suppliers, which develop core technology. Then there are carriers that integrate the technology into the network. Finally, we have the applications providers developing content to make the network more valuable. All elements work together... innovating and serving the consumer... if there is an environment fostering innovation. Regarding that environment, it would be helpful for policymakers to understand that predicting the future of technology, let alone regulating the effects of technology, is far easier said than done.

Due to convergence, the telecom industry is changing dramatically, as broadband and Internet Protocol continue to drive change. In fact, technologies and services are converging. Companies are merging. Products are miniaturizing. Even trade shows are combining, e.g. Telecom NEXT and Globalcom.

Looking ahead, Flanigan told the telecom wireline and cable symposium audience to expect "tougher competition, more consolidation, new service providers and new manufacturers, a global marketplace driven strongly by the Internet and Internet protocol-enabled services, more pressure on prices and delivery schedules, miniaturization, additional features in one device, shorter product lifecycles, faster-paced innovation, and international partnerships and relationships, as well as many more acquisitions by Chinese and Indian companies."

This author believes that TIA's forecasts will have a very positive impact on Wireless Internet Service Providers all over the world.

**Please contact the author if you would like more information:
aweissberger@sbcglobal.net or 408 863-6042**