



Is mobility more important than speed?

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2 February 2011

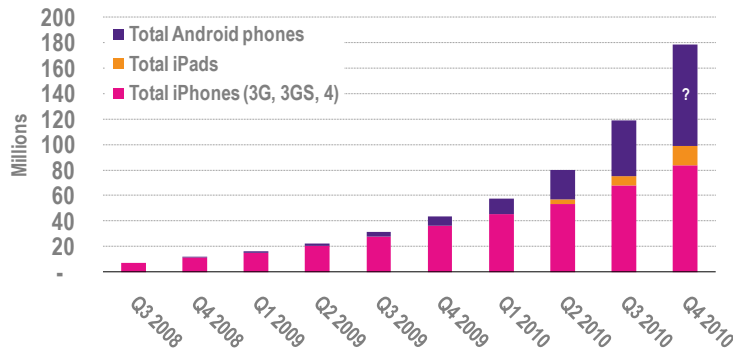
**Presentation to ALDE Group Seminar,
European Parliament, Brussels**

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‘Our nature consists in motion; complete rest is death’ Pascal 1660



Total global number of iPhones, iPads & Android phones sold



Source: Plum Consulting, Apple quarterly financial results, Gartner

- Super smartphone/tablets very recent & growing faster than broadband did
- Majority of people will have a smartphone &/or tablet by 2015
- Relatively high willingness to pay for devices & data
- Mobile is inherently social
- Mobile will get better: UHF/LTE
- Fibre speed = 0 outside home

Is mobility more important than speed?

Social benefits go beyond private...



Health



Transport



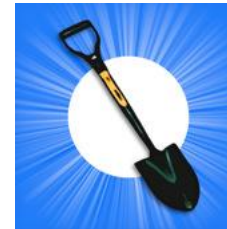
Disability



Civic

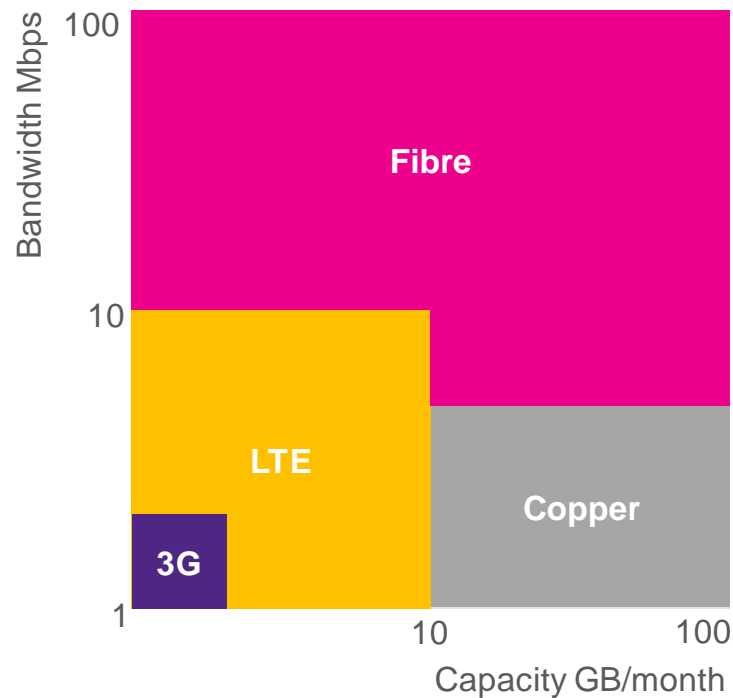


Education



Value of these applications comes from mobile use – little/no use over fibre

Complements or substitutes?



Don't take bandwidth growth for granted

- ↓ FaceTime video ~ 200 kbps
- ↓ 'HD' on iPad ~ 1.5 Mbps
- ↓ 50% video with H.265?

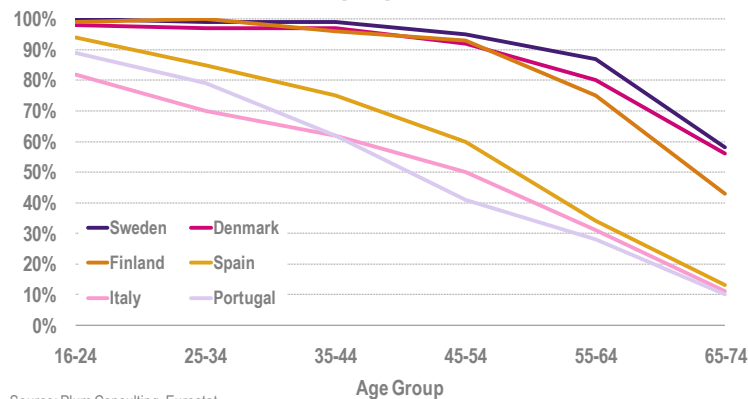
Anticipate market segmentation

- **LTE: Internet + satellite TV**
- DSL: Internet + SD TV stream
- **Fibre: Internet + multiple HDTV (but will 2nd TV be a TV?)**

Do we need a fresh approach to promote internet adoption?



% of Individuals in 2010 who used the Internet in the last three months by age



Source: Plum Consulting, Eurostat



- **Intuitive:** screen first - multi-touch
- **Relevant:** go straight to application
- **Affordable:** connectivity option built in with flexible plans

It's a nice reader, but there's nothing on the iPad I look at and say, 'Oh, I wish Microsoft had done it.' Bill Gates, Feb 2010

Reassess everything...



Reassess competition
Cu+3G=>Cu+LTE+fibre
{+cable?}
Network service=>app

- Unbundling => active access + lighter regulation?
- Application agnostic open internet?

Reassess neutrality
(& allow resource
reallocation)

- Reframe universal service to account for mobile & allow Cu retirement?
- Make PSB platform agnostic & allow UHF reallocation?

Reassess digital inclusion

- PC + fixed => tablet + mobile?
- Focus on premise => focus on wide area coverage?