

ExchangeDaily

Essential reading for the communications industry executive

An iTWire publication

www.itwire.com/exchange

No: 153 01 September 2009

Vodafone 3G now reaches 94 percent of Australians

Vodafone has completed the planned upgrade to its network, expanding 3G coverage to 94 percent of the population from 80 percent and adding 2G EDGE services and upgrading 2G coverage in the extended 3G coverage area.

All the new 3G coverage is at 900MHz. Vodafone in May announced completion of the upgrade from 63 percent 3G coverage to 80 percent using the 2100MHz band (ExD 01 May).

It had originally planned to turn on both upgrades simultaneously late in 2008 but decided to split them and delay them in order to ensure there would be minimal disruption to services, especially in the run up to the Christmas period, CTO Andy Reeves, told ExchangeDaily.

The upgraded coverage is available to all users on the Vodafone network whether direct customers of Vodafone or an MVNO. However to avail themselves of 3G services in the extended coverage area they will need a 3G phone operating at 900MHz. Vodafone presently has 18 models available and Reeves said that the Vodafone range had included a number of 900MHz phones for some time.

The network presently provides HSPA at a theoretical maximum downstream bandwidth of 14.4Mbps and Reeves said there were no plans at present to upgrade to higher rates. However he said that Vodafone used the name network equipment from Ericsson as Telstra so the upgrades that Telstra has installed (21Mbps and plans announced to go to 42Mbps) would be available to Vodafone.

Vodafone is quoting typical bandwidths of 300kbps to 3.0Mbps. Reeves said that most HSPA modems previously sold by Vodafone would be able to exploit the maximum available bandwidth.

The upgraded network will not be available to customers of 3, Vodafone's partner in the new joint venture, VHA. Reeves said two tenders had been issued for consolidation of their networks (Vodafone

has a network sharing arrangement with Optus and 3 with Telstra) but he was unable to say when tenders were likely to be awarded or when 3 customers would gain access to the expanded Vodafone network.

TelSYte confirms Windows Mobile's shrinking market share

TelSYte's latest research into the Australian mobile market has confirmed international research findings and what Optus' IP Index revealed: Microsoft's Windows Mobile platform is losing ground in the smartphone market, particularly to BlackBerry.

According to TelSYte "smartphones, now used by two-thirds of Australian businesses, have proved to be a very vibrant battleground, with market leader BlackBerry widening its lead over Nokia in the past 12 months. With the rise of Apple and Google in the smartphone OS market, Microsoft's popularity has shrunk markedly, both in terms of the installed base and as a platform of choice to standardise on."

Research director, Warren Chaisatien, said: "Apple and HTC are the two fastest-growing vendors, each preferred by an impressive nine percent of Australian businesses as their primary smartphone suppliers."

TelSYte's findings closely reflect those of Optus in its recent IP Index survey of enterprise use of various communications technologies. ExchangeDaily reported (ExD 31 July) that "Since 2008 Optus found a substantial increase in the number of organisations standardising on one mobile OS. As the platform of choice, BlackBerry soared from 25 percent to 36 percent of respondents, while Windows Mobile lost ground, from 28 to 22 percent. Symbian gained marginally from nine to 10 percent, and the iPhone achieved four percent, an impressive result given its short time in the market."

Internationally, Canalys reported last month (ExD 19 Aug) that Microsoft was losing share in the smartphone market as the number of platforms proliferates and now commands less than 10 percent.

Chaisatien attributed Microsoft's waning fortunes to being, in part at least, the result of a lack of new form factors in Windows mobile handsets in the last 18 months to two years, during which there has been a steady stream of new BlackBerry products as well as several Android devices.

He said the launch by HTC of three new Windows Mobile devices at the end of June (ExD 01 July) represented the first significant new products for some time, but added, "I think you will see HTC [one of the biggest manufacturers of Windows mobile devices] moving more towards the Android platform."

Canalys' Chris Jones made similar comments saying: "[Microsoft's] smartphone market share has now fallen below 10 percent and the trend is likely to continue as many of its OEM partners, including HTC, Motorola and Palm, are focusing investment on other platforms."

Chaisatien attributed Symbian's lacklustre performance to Nokia's decision to make the once-proprietary system open. He said corporates tended to be wary of open platforms on security grounds.

AJC & Pacific Crossing offer GigE links from Australia to USA

Australia Japan Cable (AJC) and Pacific Crossing have launched a gigabit ethernet service across their respective networks for carrier, enterprise and ISP customers wanting connectivity between Australia and North America.

Both companies introduced gigabit ethernet offerings on their own networks earlier in the year and have now launched services across their networks offering interfaces at 1Gbps and 10Gbps and providing throughput in increments from 155Mbps (STM1) up to the full capacity of the interface.

AJC's commercial director, Chris Kessikidis, described the move as "an evolutionary step in our product strategy," adding: "We have established relationships with Australian backhaul providers enabling the ability to deliver these services all the way to the customer's premise."

AJC's head of engineering, Phillip Murphy, added: "While international submarine networks, including AJC, have historically provided connectivity using protected and unprotected SDH capacity, there has been a clear trend to migrate ethernet connectivity from local to national to international. We are pleased to be working with PCL to provide this solution to the marketplace."

The AJC cable is a 12,700km optical fibre ring submarine cable network, directly connecting Australia and Japan, via Guam. It has a design

capacity of up to 64 waves per fibre pair each capable of carrying 10Gbps.

Pacific Crossing owns and operates the 21,000 trans-Pacific subsea fibre-optic network ring, PC1, connecting the US and Japan. It claims to offer the highest reliability and the lowest latency across the Pacific and is linked to extensive backhaul into major US and Japanese cities. In May this year Pacific Crossing was acquired by NTT Communications of Japan.

NTT Com said that, as a result of the acquisition "Customers of Pacific Crossing will now have access to NTT Com's global infrastructure including a domestic Japan network capable of providing seamless connectivity between the PC-1 network and major communication hubs in Tokyo and Osaka, as well as the rest of Asia. Customers in mainland Asia will now be able to connect directly to Pacific Crossing's and NTT's combined twelve points of presence in the US, including Seattle, Los Angeles, Dallas, Chicago and New York."

Pacific Crossing was once part of the Global Crossing cable system that went bankrupt in 2001. Pacific Crossing, which cost \$US1.35b to build was sold for \$US63m in 2003. NTT Com did not disclose what it paid for the business.

Government told to spell out NBN shareholding rules

Shadow communications minister, Nick Minchin, has seized on comments by NBN board member and chairman of the Tasmanian NBN Company, Doug Campbell, to raise concerns about how much equity Telstra might be permitted to hold in NBN Co.

Interviewed on ABC Tasmania's Stateline programme last Friday, Campbell appeared to rule out Telstra not being able to take the maximum non-government stake permitted, 49 percent, because of competition from other would-be stakeholders rather than on Government policy (ExD 31 Aug).

However, according to Minchin, communications minister, senator Stephen Conroy, has said previously that Telstra in its current structure would be allowed a stake of no more than 20 percent in the company. Conroy, according to Minchin, told a Senate Estimates hearing in May that: "If XYZ company was a vertically integrated monopoly or former monopoly and it wanted to vend in, in its current structure, then it would be allowed 15 to 20 percent."

"The Government and now the NBN Co are all over the place on this issue," Minchin said. "We have veiled suggestions that if Telstra changes its