

Fixed Mobile Convergence

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Introduction

- Introduction
- Terminological vagueness
- Classes of convergence
- Multinational corporations
- Consumers
- Social networking
- Conclusions



Concatenation of vagueness

- Fixed:
 - not always entirely fixed
 - DECT, call-forwarding, nomadic VoIP, etc.
- Mobile:
 - often wrongly equated with wireless cellular
 - many users are not so very mobile
 - there are non-cellular alternatives
- Convergence:
 - often confused with substitution



Classes of convergence

- Packets (everything carried by IP)
- Devices (everything in one device)
- Services (access from many devices to the same applications, programmes and search engines)
- Invoices (everything on the same bill)
- Companies (everything owned by one group)
- Globalisation (everything available everywhere)
- Legislation (everything under the same rules)



Corporate networks

- Fixed networks are the infrastructure of globalization
 - underpinning outsourcing
- Moving to IP-VPNs running MPLS to prioritize:
 - voice and video conferencing
 - access to enterprise application software
 - electronic mail and messaging
- A highly competitive global market:
 - limited presence in Africa and Central Asia
- Cellular mobile is quite distinct:
 - almost entirely national offers
 - voice with some messaging
 - very little use for enterprise application software
- Corporate mobility is achieved by
 - Wi-Fi hot-spots, fixed broadband and dial-up



Consumer markets

- Fast Moving Consumer Goods (FMCG):
 - reliance on brands and fashion
 - new designs every few days
- Selection is often for non-cellular features:
 - cameras to upload clips to the fixed Internet
 - banking services
- Bundling into multi-play:
 - triple play
 - quadruple play
- Networking being added to non-telephones:
 - domestic appliances
 - cars (telematics)
- Advertisers like the idea of a personal device

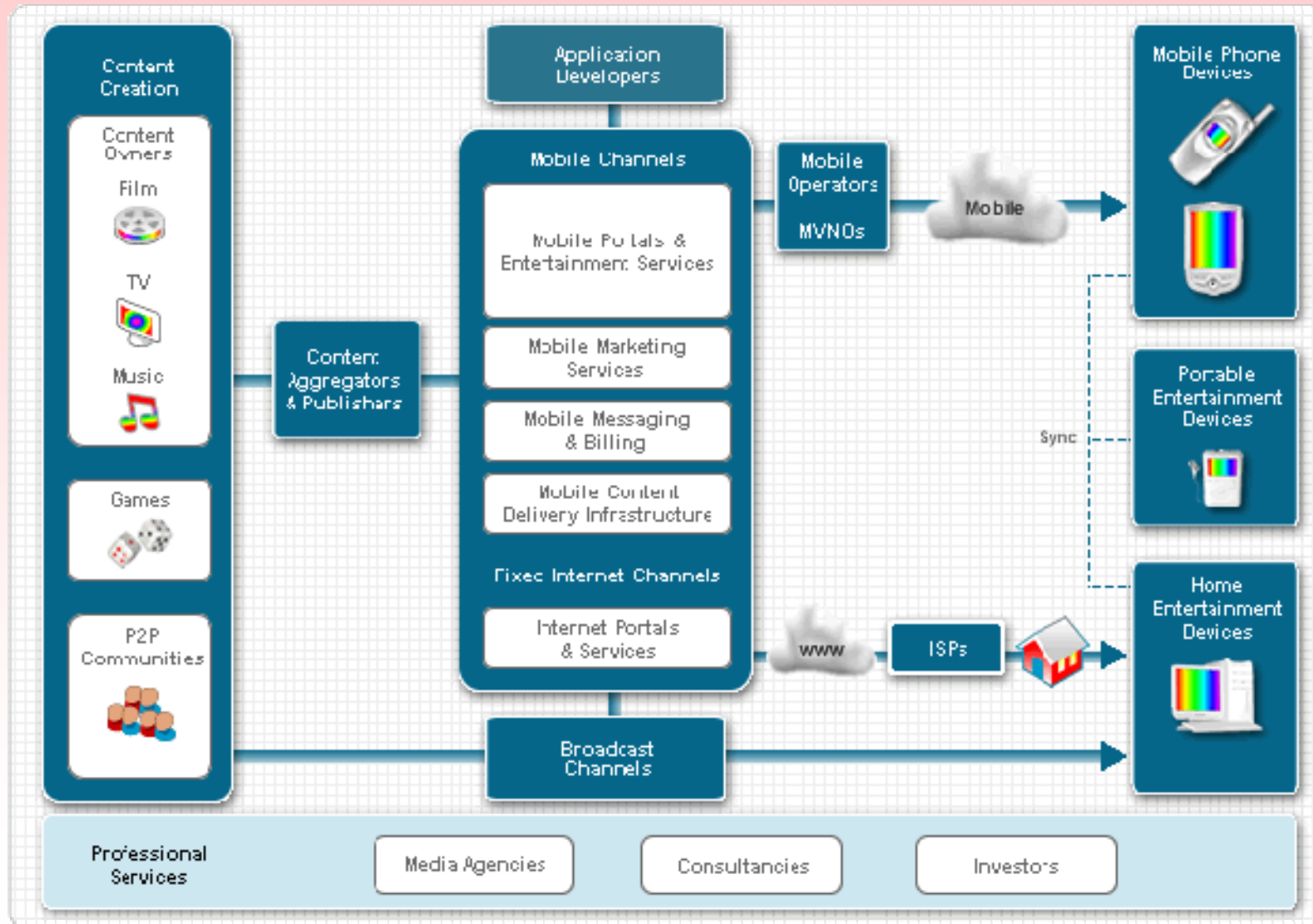


Sony: Cybershot, Walkman, Playstation

	<i>Mylo</i>	<i>PSP3</i>	<i>Vaio UX</i>	<i>W700i</i>
GSM	N	N	-	Y
GPRS	N	N	-	Y
UMTS	N	N	-	N
Wi-Fi	Y	Y	Y	N
Bluetooth	N	N	Y	Y
VoIP	Y	Y	Y	N
IM	Y	Y	Y	N
Video	MP3/4	UMD	DVD	MP3
Camera (MP)	N	N	-	2
Storage (MB)	1.0	4.0	1.0 + 40	0.5 to 2.0
Weight (g)	150	280	545	99

Channels to market?

Source: Mobile Entertainment Forum.



Leverage

- The biggest policy challenge lies in avoiding leverage of market power between markets:
 - from fixed to mobile and mobile to fixed
 - from voice to television
 - from content to broadcasting/distribution
- These are not traditional telecommunications issues, but controlled with competition law tools
- The other problem is of concentration of market power in spectrum ownership



Conclusions

- FMC is not “fixed”, it changes
- Corporate markets are separate
- Consumer markets are unstable, as they respond to a very wide range of new offers
- Revenues are increasingly from non-voice services



Thank you

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