

# Wireless World: Convergence arrives

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The wireless deal announced by a consortium of cable companies grabbed all the headlines this week, but analysts have been predicting the convergence of such technology capabilities for several years now. More partnerships like this are likely to come in the near future, experts told UPI's Wireless World.

Moreover, future deals may go even further than the joint venture or partnership stage. One leading telecom lawyer, William Maher, a partner in the Washington, D.C., office of Morrison & Foerster and the former chief of the Wireline Competition Bureau at the Federal Communications Commission, said that he sees "more wireless deals and companies merging in the future."

But this week's partnership among Comcast, Sprint, Cox, Time-Warner and Advance-Newhouse Communications is finally accelerating that long-expected move toward "convergence" of technologies, is increasing the competition in the wireless-services market and is going to lead to new products and services being offered by cable companies.

According to Ranjan Mishra, a wireless industry analyst with A.T. Kearney, the move is bold, yet risky.

"The unique complexity of this deal is unlike other MVNO (Mobile Virtual Network Operator) deals which target specific segments," Mishra told Wireless World. "Given the broad base of cable, the impact of cannibalization could be high."

Mishra said it appears that Sprint and Comcast and the other partners may be able to transform this partnership into the "industry's first truly converged offering ... dramatically altering" the competitive landscape of wireless.

This deal is not just another partnership in the mobile network space, he said, but one that allows the companies to integrate a number of technologies and products. This is called bundling of products. "The higher the integration will be, the better the chances of success," Mishra said.

Other companies are already experimenting with the wireless cable technology, and distribution of network-quality content over wireless outlets is expected shortly. "We have not finalized a wireless agreement yet, but have been involved in trials with several wireless companies," said Susan Robertson, a spokeswoman for Scripps Networks, based in Knoxville, Tenn. "However, Scripps Network programming is appearing on many other platforms, in addition to standard cable. Just this year, we've announced agreements with Verizon for its new FIOS (fiber optic service) technology, with XM Satellite Radio, and we've announced several new broadband channels and the launch of two high definition channels that will go live in early 2006."

Yet another firm, U.S. Digital Television -- a new company in the wireless cable business -- recently began offering wireless cable in three cities in the western United States, a spokesman told Wireless World.

According to a spokesman for the consulting firm Accenture, there are other trends in the industry, such as Internet Protocol TV, where "traditional and nontraditional players are looking for ways to prepare for new content channels and consumer demands."

What technology firms are looking to create, experts said, is a new

lifestyle for consumers. That is, they can take their TV technology with them wherever they go, whether they are commuting, and using a mobile phone, or at work, and using a larger digital appliance, experts said.

"Technology and content are no longer bound to the device that traditionally delivered it," said a spokeswoman for Amdocs, a provider of customer relationship management and billing software to the cable industry. "This provides new opportunities for cable and telecom providers, as they are now able to blend and bundle services, opening up new avenues of revenue."

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