

Study: Unlicensed spectrum space worth \$100 billion for wireless use

September 25 2009, By John Letzing

A study commissioned by Microsoft Corp. estimates that the unlicensed "white spaces" spectrum coveted by the software giant and other technology companies could be worth more than \$100 billion over the next 15 years.

The study, by consultant Richard Thanki of Perspective Associates, suggests that by augmenting current unlicensed [wireless networks](#), such as Wi-Fi hot spots, the white spaces could generate between \$3.9 billion and \$7.3 billion in value annually over 15 years. That would be the result of increased use of consumer electronics and other factors, according to the study.

Microsoft, [Google](#) Inc., Dell Inc. and other companies aggressively lobbied the U.S. [Federal Communications Commission](#) to open up vast expanses of white spaces airwaves -- freed up following the [digital TV](#) transition -- for use by unlicensed devices.

The companies were met with stiff resistance from the telecommunications, media and audio technology industries, though the FCC ultimately approved the unlicensed use of the white spaces late last year.

The regulator and interested companies are currently hashing out standards for the use of the spectrum, and a means to use it without interfering with licensed signals.

Microsoft and other companies have argued that the use of the white spaces could boost Internet use and improve wireless communications, though the benefits have been difficult to quantify.

In his study, Thanki writes that white spaces spectrum offers a broader range than a typical Wi-Fi connection. A single [Wi-Fi access point](#) enhanced by the white spaces could "fully cover a large building and the neighboring grounds and areas," he writes.

In addition, use of the white spaces could lower the cost of providing Internet access in rural areas, Thanki writes.

While chips used to power white spaces devices would initially cost roughly \$10 more than existing technologies in 2012, the difference should steadily decline at a rate of about 30 percent annually from that point on, according to the study.

Microsoft said in a posting on a company Web site that the use of unlicensed spectrum was discussed at an FCC workshop held in Washington, D.C., on Sept. 17 as part of its effort to develop a National Broadband Plan.

"Our nation's policymakers should encourage further innovation by embracing unlicensed spectrum as a key pillar of America's communications framework," Microsoft vice president for technology policy and strategy Anoop Gupta wrote in the posting.

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