

# Shop before you sign a data contract for a netbook

December 4 2009, By Victor Godinez

---

Netbooks with built-in 3G wireless Internet access are all the rage this holiday season. But before you sign on the dotted line at your local AT&T or Verizon Wireless store and commit yourself to a two-year contract, consider your options. You might be better off buying your netbook and wireless Internet card separately.

Netbooks are hazily defined, but generally they're mini-laptops intended primarily as Internet machines. They're smaller than regular laptops in almost every way.

For the last few years, getting a [netbook](#) onto the Internet required either being covered by a short-range Wi-Fi signal or buying an external card that you plugged into your netbook to access the same wireless network as your cellphone.

Now telecommunications companies like Dallas-based AT&T Inc. and Verizon Wireless are selling netbooks with the 3G cellular radios built directly into the hardware.

In return for the two-year data contract, customers get a lower price on the netbook.

But by signing a long-term agreement for your netbook in the same way you do for your cellphone, you lose some capabilities.

For example, when you buy a netbook with built-in 3G, you're unable to

share that connection with another computer.

If you buy a pluggable card or a portable device like the MiFi from Novatel Wireless Inc. that turns a 3G signal into a standard Wi-Fi signal, you can share a single 3G connection among multiple netbooks, laptops or desktops.

You already may be carrying a 3G phone that allows you to "tether" the phone to your netbook or laptop to share the phone's Internet connection.

Some carriers charge extra to enable tethering.

Further, many of the 3G netbooks currently available are already obsolete.

Sprint Nextel Corp. and Time Warner Cable Inc. recently flipped the switch on their faster 4G networks in the Dallas area and a handful of other cities, and you can buy 4G cards from each company that plug into any netbook.

Verizon will also make a big push into 4G next year, but none of its current netbooks are 4G-compatible.

AT&T will do smaller initial 4G deployments next year. AT&T is also ramping up the speed of its current 3G network to a standard called HSPA 7.2 as an intermediate step to 4G, and Dallas will be one of the first cities to get the faster 3G.

The 3G netbooks being sold in AT&T stores, as well as the AT&T-powered Nokia Booklet 3G available exclusively at Best Buy, are compatible with that upgrade but will not be able to hop onto the upcoming 4G networks.

Representatives from the companies say netbooks with built-in 3G are popular among consumers who want a simple product that automatically connects to the Internet when the computer turns on.

Tamara Flowers, director of data sales for Central Texas with Verizon Wireless, said her daughter has a netbook with an external card. And that just means an extra gadget to keep track of.

"We've lost the air card once or twice," Flowers said. "But when you have that netbook with the card built in, you don't have to worry."

Users also don't have to worry about compatibility issues or installing software. For example, if you want to connect Sprint's 4G card to your netbook, you have to install the software from a CD. But because most netbooks don't include a CD or DVD drive, you need to connect an external drive.

Glenn Lurie, president of AT&T's emerging devices division, said many customers value simplicity over flexibility.

"We got a lot of feedback that people want that choice," he said. "They want the simplicity of a machine you turn on, and that machine is going to work with Wi-Fi or 3G."

AT&T also recently introduced a monthly pay-as-you-go plan for netbooks with built-in 3G. But ditching the two-year contract eliminates the discount on the netbook. For example, Best Buy is selling the new Nokia Booklet 3G -- one of the best netbooks available -- for \$299 with a two-year AT&T contract or \$599 without a contract.

Clearly, a lot of people want netbooks right now.

Market research firm DisplaySearch said last month that netbook sales

jumped 264 percent to \$3.1 billion in the second quarter of 2009 from the second quarter of 2008.

That surge occurred as the average price of a netbook fell 30 percent.

Meanwhile, the rest of the laptop and portable PC market shrank 14 percent to \$23.3 billion. DisplaySearch noted that netbooks with built-in 3G are "attractive to telecom providers in every region."

Just about the only major computer maker without a netbook in its lineup is Apple Inc., but every nerd with a pulse expects the company to make a splash next year with some kind of streamlined portable computer.

In addition to two-year contracts, another cellphone plan strategy that is migrating to netbooks is the upgrade option. For example, if you decide to buy the HP Mini 311 netbook from Verizon Wireless with a two-year plan, you might be eligible to upgrade to a newer, faster model in a year at the discounted price.

"The same type of upgrade policies we have on our traditional phones and PDAs, we have those same policies on our netbooks and air cards," Flowers said.

One area where netbooks are not emulating 3G phones is in the amount of data you can download.

While many carriers offer smartphones that include unlimited monthly data downloads over 3G networks, netbooks are generally limited to a monthly download of 5 gigabytes.

Both Verizon Wireless and AT&T offer 5-gig netbook plans for \$60 a month. A two-hour downloadable movie on Apple's iTunes service is

about 1.5 gigabytes. Sprint's 4G card offers unlimited downloads -- as long as you stay on the 4G network -- for \$70 a month.

Neither Verizon nor AT&T offers unlimited download options with their netbooks. AT&T's Lurie said more than 90 percent of 3G netbook users never download more than 5 gigabytes in a month.

"Average usage is significantly lower than that," he said.

—

*(c) 2009, The Dallas Morning News.*

*Visit The Dallas Morning News on the World Wide Web at [www.dallasnews.com](http://www.dallasnews.com)*

*Distributed by McClatchy-Tribune Information Services.*

Citation: Shop before you sign a data contract for a netbook (2009, December 4) retrieved 25 April 2024 from <https://phys.org/news/2009-12-netbook.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--