

## **S.Korea telecom firm to spend 4.3 billion dollars on network**

July 27 2010

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South Korea's KT Corp said Tuesday it would spend 5.1 trillion won (4.3 billion dollars) until 2014 expanding its network to meet fast-growing demand from smartphones and other digital devices.

The firm is South Korea's top fixed-line operator and second largest mobile carrier, and the exclusive domestic operator for Apple's iPhone.

South Korea's [mobile phone market](#) is one of the world's most vibrant, with 45 million users in a population of 49 million. But smartphones are a relatively small share, implying huge growth potential.

KT said it would spend 2.4 trillion won on third-generation (3G) [cellular networks](#) and 1.67 trillion won on more advanced Long Term Evolution services.

It also announced spending of 800 billion won on wireless fidelity (WiFi) and the high-speed wireless broadband technology WiBro.

The plan also includes spending 100 billion won on cloud computing, which gives customers the ability to store and access data on the Internet.

As of last November, when the [iPhone](#) was launched locally, smartphones only accounted for two-three percent of the total in South Korea, compared to almost 30 percent in Japan, according to analysts.

KT said it was planning for six million smartphone subscribers and one

million tablet PC users by the end of next year and needed to prepare for the surge in demand.

It said data traffic had risen threefold in the six months to May 31 and that smartphone users consumed 21 times more data than conventional cellphone subscribers.

The company has sold 850,000 iPhones since they debuted in Korea last November. It plans to introduce the [iPhone 4](#) in a couple of months, after its original release date this month was delayed.

Top mobile phone carrier [SK Telecom](#) announced this month it would create 15,000 WiFi zones in [South Korea](#) by the end of this year, up 50 percent from its initial plan, to boost wireless data usage.

The company said it would launch an LTE service next year to meet rising demand for high-speed data.

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Citation: S.Korea telecom firm to spend 4.3 billion dollars on network (2010, July 27) retrieved 9 April 2024 from <https://phys.org/news/2010-07-skorea-telecom-firm-billion-dollars.html>

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