

MetroPCS fires up cutting-edge wireless network

September 21 2010, By PETER SVENSSON , AP Technology Writer

(AP) -- MetroPCS Communications Inc., a regional cell phone company that mainly caters to low-income customers, on Tuesday became the first U.S. carrier to use a new network technology that provides faster data access and is expected to become the industry standard.

MetroPCS, which has 7.6 million subscribers, turned on Long Term Evolution, or LTE, service in Las Vegas. It's ahead of [Verizon Wireless](#), which has 92 million subscribers and plans to bring LTE to 25 to 30 cities later this year.

MetroPCS CEO Roger Linquist said the company aims to turn on LTE across its entire network, which is concentrated in cities, by January.

To take advantage of the network, Dallas-based MetroPCS is selling the first U.S. LTE phone, the Samsung Craft, for \$299. It's not a smart phone with an array of downloadable applications, but it does have a touch screen and a keyboard. It can surf the Web and access Facebook, [Twitter](#) and other popular services. Smart phones that will benefit more tangibly from the data speeds provided by LTE will come next year, Linquist said.

MetroPCS service is prepaid and doesn't come with a contract. Many customers pay for it in cash at MetroPCS stores. Linquist said that phones are the main way their customers access the Internet.

MetroPCS is charging \$55 per month for unlimited calling and texting

on LTE, with all taxes and fees included. That's \$5 more than it charges for [smart phones](#). For an extra \$5 per month, MetroPCS provides video on demand from RealNetworks Inc. that includes TV shows from NBC Universal, Black Entertainment Television and Univision.

LTE is a so-called fourth-generation, or 4G, wireless technology. In Las Vegas, users should get [download speeds](#) of 6 to 8 megabits per second, Linquist said, about as fast as a [cable modem](#) and five times as fast as 3G service on MetroPCS or Verizon Wireless.

LM Ericsson AB of Sweden is providing the network equipment for the build-out.

So why is a relatively small, frugal player like MetroPCS the first out of the gate with what looks like the future of wireless? Linquist said vendors want to be out front on LTE, and were eager to work with the company and give it good deals. Also, the technology can potentially save MetroPCS a lot of money by reducing the amount of equipment required to keep the network running.

"It's all about cost for us," Linquist said.

Shares of MetroPCS slipped 2 cents to \$9.87 in afternoon trading.

Sprint Nextel Corp. is building a 4G network using a different technology, known as WiMax, through its Clearwire Corp. subsidiary. It launched the first phone for that network this summer.

Neither [MetroPCS](#) or Sprint uses 4G for calls. That part of the technology has not been worked out yet, so the phones use regular 3G as a backup.

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