

## **This Week's Stories**

### **T-Mobile Upgrades 3G Footprint to HSPA 7.2**

January 5, 2010

T-Mobile USA said it deployed HSPA 7.2 network technology--technically twice as fast as its previous 3G network--across its entire footprint. The carrier also reiterated its plans to deploy the even faster HSPA+ technology across the bulk of its network this year.



T-Mobile USA said its 3G network now covers more than 200 million people.

T-Mobile first disclosed its HSPA+ aspirations last year, and recently began HSPA+ trials in Philadelphia. T-Mobile's decision to deploy HSPA 7.2 across its footprint is an intermediate step toward HSPA+, which can

technically provide peak data speeds of 21 Mbps.

Although a small cable operator in Oregon, BendBroadband, began commercially offering HSPA+ in December, T-Mobile will be the first national carrier to widely adopt HSPA+.

Further, the No. 4 wireless carrier said its 3G network now covers more than 200 million people. That, coupled with its recent network upgrades, marks a significant turning point for the carrier, which has historically trailed its larger Tier 1 rivals in terms of network speeds and upgrades.

By contrast, No. 2 operator AT&T Mobility--the nation's other GSM-based carrier--plans to deploy HSPA 7.2 in 25 of the country's 30 largest markets this year, and expects the upgrade to be in place in 90 percent of its 3G footprint by the end of 2011. The company also plans to begin LTE trials this year, with larger deployments coming in 2011.

<http://www.fiercewireless.com>

### **Nokia Asks Court to Halt U.S. Imports of iPhone**

January 5, 2010

In a further escalation of an already bitter feud, Nokia asked a federal court to bar the importation of Apple hardware including its iPhone, iPod and Mac products. Nokia's lawsuit, filed in federal court in Delaware,

coincides with a complaint the company filed with the U.S. International Trade Commission last week.

The new lawsuit lists seven patents that Nokia said Apple is violating in its products, and seeks an injunction barring Apple from further infringement, as well as damages from Apple. Nokia had to file the federal lawsuit in addition to its complaint with the ITC because the trade commission does not make decisions about monetary compensation.

Nokia kicked off its battle with Apple in October with a lawsuit in U.S. District Court in Delaware alleging Apple's iPhone infringes on ten Nokia patents. Apple fired back in December, alleging Nokia products infringe on 13 of its own patents. In its countersuit, Apple laid out in fiery rhetoric its position on the matter. "Other companies must compete with us by inventing their own technologies, not just by stealing ours," Bruce Sewell, Apple's general counsel, said in a statement at the time.

Not to be outdone: "Nokia has been the leading developer of many key technologies in small electronic devices" said Paul Melin, head of Nokia's patent-licensing efforts, in announcing the company's complaint with the ITC. "This action is about protecting the results of such pioneering development."

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### **Chat With Verizon Wireless CTO Lynch On End of All-You-Can-Eat Pricing**

January 8, 2010

Verizon Wireless imagines that its coming LTE mobile broadband network will run all kinds of devices such as tablet computers, home appliances, automobiles, smart phones and televisions that you may not necessarily get from a Verizon store.

And because so many devices in one household could be connected to its network, the nation's largest wireless service operator thinks the days of flat-rate plans may be over, according to Verizon chief technology officer Dick Lynch in an interview Thursday at the Consumer Electronics Show. Instead, the company will probably charge a base rate for its users and allow multiple authenticated devices to be attached to its network. Then it will charge by how much bandwidth is used by a provider -- a business model known as usage-based pricing.

"The problem we have today with flat-based usage is that you are trying to encourage customers to be efficient in use and applications but you are getting some people who are bandwidth hogs using gigabytes a month and they are paying something like megabytes a month," Lynch said. "That isn't long-term sustainable. Why should customers

using an average amount of bandwidth be subsidizing bandwidth hogs?"

And with so many consumer electronics tapping into the Web, many of those devices running on Verizon's network won't be sold through the company. They will be bought from the Best Buys of the retail world or directly through the Web, similar to what Google announced it would do earlier this week with its new Nexus One phone, Lynch said.

"The whole paradigm of how we sell devices into the public is changing," Lynch said. "At the same time that we announced LTE, we announced an open development initiative where we encouraged third-party developers to deploy devices on our network."

Verizon said it has launched LTE markets in Boston and Seattle but they aren't ready for customers. By the end of the year, the company expects that its LTE high-speed Internet network will cover a population area size of 100 million people. AT&T is on track to also deploy its own LTE network in tandem with Verizon Wireless. Newcomer Clearwire, which is a WiMax ultra high-speed network, has had a head start, covering several major cities and markets already.

<http://voices.washingtonpost.com>

## **Product & Service News**

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### **T-Mobile No Longer Offering @Home Landline Service**

January 8, 2010

T-Mobile will no longer be offering its T-Mobile @Home landline replacement service to new customers, the carrier announced Jan. 7.

It will, however, continue to support its current @Home customers.

"The needs of our customers are constantly changing, and T-Mobile must foresee and adapt to those changes," a T-Mobile spokesperson said in a statement.

With T-Mobile's @Home landline service, customers with a mobile contract and a broadband connection can plug their home phone line into a T-Mobile @Home HiPort wireless router. With VOIP, customers then have unlimited, nationwide calling, with caller-ID, three-way conferencing, voicemail and call forwarding for \$9.99 a month.

Beyond adapting to customer needs, the carrier offered no further explanation.

The same week, T-Mobile also announced that it had completed the upgrade of its 3G network to HSPA 7.2. The next step, it said in a Jan. 5 statement, is the move to HSPA+, a 3.5G technology. It anticipates being the first U.S. carrier to launch the technology.

"While other carriers talk about 4G plans and the promise of compatible devices, T-Mobile will speed ahead with HSPA+ deployments across the bulk of its 3G footprint this year, delivering [three to five times] the speeds of today's 3G," the carrier said in a statement.

On Jan. 5, AT&T similarly announced the completion of its HSPA 7.2 upgrade, and anticipated the 2011 rollout of LTE, a 4G technology that competes with the Sprint-backed WiMax.

"Even as we look forward to LTE, 3G will be the predominant mobile technology worldwide for smartphones for the next few years," John Stankey, president and CEO of AT&T Operations, said in a statement. "AT&T's strategy will deliver faster 3G speeds over the next two years, while also allowing us to build the foundation for the LTE future."

With a focus toward its mobile initiatives, AT&T requested, on Dec. 21, that the Federal Communications Commission put a plan into place to retire its aging landline business. Analysts anticipate that third-parties, likely local or regional carriers, will take over the landline businesses instead. AT&T said the move would help it meet Congress' goal of extending broadband access to 100 percent of Americans.

<http://www.eweek.com>

### **Sprint Debuts Overdrive, Mobile WiMAX Hotspot**

January 7, 2010

Sprint Nextel used the Consumer Electronics Show here to unveil its new Overdrive 3G/4G Mobile Hotspot device, built by Sierra Wireless, which connects to Clearwire's mobile WiMAX network and broadcasts a WiFi hotspot for up to five devices. The device is similar to Novatel's MiFi device, which relies on 3G for backhaul.



Sprint's Overdrive

Interestingly, Sprint called out a range of big guns to hype its latest 4G effort, including Best Buy CEO Brian Dunn, Microsoft CEO Steve Ballmer, comedian Frank Caliendo and celebrity chef Mario Batali (who

cooked food for attendees). Caliendo served as a host to the announcement, while Dunn and Ballmer used their respective five minutes in the spotlight to trumpet the benefits of 4G mobile WiMAX speeds.

"You can use Overdrive as your primary Internet connection," Ballmer said, noting it would provide connectivity through WiFi for Microsoft's Zune media player. "It's kind of a brilliant little product, when you get right down to it."

Best Buy's Dunn said the retail chain would offer the Overdrive in 10 Clearwire WiMAX markets, which includes 182 Best Buy stores.

Sprint's CEO Dan Hesse was also on hand to hype the gadget.

"4G is about connected mobility," Hesse explained.

In a press release announcing the device, Sprint said the Overdrive can essentially replace a wired home Internet connection. "Through a single connection, you can bypass your cable provider and stream HD movies from content distribution providers (such as Netflix, Amazon and Blockbuster) right to your TV; connect your Xbox 360 and game real-time with someone located across the globe; move pictures wirelessly from your camera to a digital picture frame and surf the Web on your laptop while streaming Pandora," the company said.

Beginning on Jan. 10, customers will be able to purchase Overdrive 3G/4G Mobile Hotspot from Sprint for \$99.99 (excluding taxes) after a \$50 mail-in-rebate with a two-year service agreement.

The announcement does not come as a total surprise; Sprint had been rumored to be gearing for an announcement of a WiMAX hotspot product.

Sprint resells Clearwire's mobile WiMAX service under the "Sprint 4G" moniker; Sprint is the majority owner of Clearwire.

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## **AT&T Launches Major Initiative to Bring 'Apps to All'**

January 6, 2010

AT&T today announced plans to launch five new devices from Dell, HTC and Motorola based on the Android platform. The company also announced a major initiative to expand the universe of mobile applications beyond smartphones to more mobile phones - and spur future app development for emerging consumer electronics devices,

its U-verse TV platform, and enterprise and small business workplaces.

At the 4th annual AT&T Developer Summit in Las Vegas, executives outlined details including:

- New devices that will give customers the most robust choices of major operating systems (OS), including Android™, in the U.S.
- A goal to offer all major smartphone OS app stores
- An agreement with Qualcomm to standardize apps development for mid-range Quick Messaging Devices using BREW Mobile Platform. These devices are used by millions of customers who historically have not had the same convenient access as smartphone customers to the market's hottest apps
- A new AT&T SDK (software developer kit) to help developers immediately begin to develop apps for these devices
- A significantly enhanced developer program and new relationships with global carriers that are intended to make it easier for developers to distribute apps in markets outside the U.S.
- Future initiatives to enable developers to create more apps for AT&T's U-verse TV, emerging consumer electronics devices, and businesses
- A new AT&T Virtual Innovation Lab and two new Innovation Centers, which will help developers and spur apps development

"Applications help consumers realize the full value and benefits of mobile broadband networks, services and devices," said Ralph de la Vega, president and CEO, AT&T Mobility and Consumer Markets. "Today some AT&T customers can take advantage of more than 100,000 apps - but only if they have the right handset. Our goal is to bring more apps to millions more of our customers who want convenient access to the market's hottest apps. At the same time, in the future, we plan to go well beyond mobile devices to spur apps development."

In addition to ultimately giving more customers more choices of applications, the long-term strategic initiatives announced today will make it easier for developers to cost effectively create applications and reach broader audiences, and help AT&T drive data revenues.

### **Extend Smartphone Leadership**

AT&T will further its leadership in smartphones with the planned launch of five new devices from Dell, HTC and Motorola based on the Android platform. Those devices, which are scheduled to be available during the first half of 2010, include:

- A Motorola smartphone, powered by MOTOBLUR, with a unique form factor and an AT&T exclusive
- Dell's first smartphone, based on the Android platform and an AT&T exclusive
- A HTC smartphone, based on the Android platform, and an AT&T exclusive

AT&T customers with these devices will benefit not only from the nation's fastest 3G network but also the ability to simultaneously talk on the phone while surfing the Web or reading email.

In addition, AT&T announced its goal to lead the industry in application choices for smartphone customers by offering all major app stores. It will preload the corresponding store for each device -- giving customers convenient access to thousands of apps optimized for their smartphone. Today, AT&T added to existing agreements with Nokia for Ovi store and Microsoft for Windows Marketplace by announcing an agreement for Android Market. It expects to announce more app store agreements in the near future and will offer carrier billing as an easy and convenient payment option for as many stores as possible.

#### **'Apps for All' by Standardizing Apps Development with Brew Mobile Platform**

De la Vega also announced a significant new agreement with Qualcomm to standardize apps development by adopting BREW Mobile Platform. With this agreement, AT&T intends to make BREW Mobile Platform its primary operating system platform for Quick Messaging Devices, one of the company's fastest growing categories of devices.

AT&T customers with these devices historically haven't had the same convenient access as AT&T smartphone customers to thousands of compelling, new applications. Since AT&T launched its pioneering line-up of Quick Messaging Devices in fall 2008, about 30 percent of the company's postpaid customers who are new or upgrading have purchased this type of device. AT&T is committed to spurring innovation and apps development for the millions of customers in this category.

Quick Messaging Devices are integrated devices that are value priced and texting centric; they have full QWERTY keyboards, either physical or virtual, and, since this past fall, full Web browsing capabilities. Customers with these devices are more likely to demand apps, subscribe to messaging and data plans, and are a large potential market for application developers, according to AT&T research.

AT&T Chief Marketing Officer David Christopher announced plans to begin rolling out Quick Messaging Devices with BREW Mobile Platform in the second half of the year, so that by year end 2011, about 90 percent of

AT&T's devices in this segment are planned to be based on BREW Mobile Platform. AT&T announced that Samsung will be its first device maker to launch a Quick Messaging Device featuring BREW Mobile Platform. HTC, LG and Pantech also are building devices featuring BREW Mobile Platform for planned availability in late 2010 or early 2011.

"Today, developers must essentially rebuild apps for different handsets and operating systems, increasing their costs, slowing the pace of innovation and stalling the delivery of mobile apps to customers," Christopher said. "We want to tear down the barriers and make it much easier for developers to reach our customers - and for our customers to access apps. Moving to one platform for this fast growing segment of devices will help developers reach millions more customers who want easy access to the hottest mobile apps."

To help developers jumpstart apps development for AT&T's BREW Mobile Platform devices, Christopher announced a new AT&T SDK which features support for BREW Mobile Platform, continued support for Java and widgets, and includes tools to help developers tap into AT&T network capabilities as they design and code their applications. The new AT&T SDK is available starting today at [sdk.developer.att.com](http://sdk.developer.att.com).

#### **Taking the AT&T Developer Program to the Next Level**

AT&T has a longstanding commitment to the developer community. It was among the first major carriers to offer a developer program and has been rated the top carrier development program for the past three years by Evans Data. Today, AT&T executives also announced plans, including some launch schedules, for a series of new or enhanced developer resources including:

**Technical support** for developers via live chat -- something no other carrier, operating system provider or handset maker offers today - and a tripling of overall tech support by mid-2010.

- **Revenue share** featuring a standardized 70/30 split for third-party developers in the AT&T App Center.
- **AT&T Sandbox**, a virtual network environment for developers to test and evaluate applications, which is planned to be available in 2Q 2010.
- **AT&T Developer Dashboard**, a tool that will let developers track the status of their app once submitted to AT&T, support digital signing of business agreements with AT&T, allow developers to set prices for their apps, and provide performance metrics and customer satisfaction feedback. The dashboard is available now for enterprise application developers and the certification of emerging devices. And for AT&T's consumer development community, the

dashboard will also provide needed automation which is planned for the first quarter of 2010.

- **New marketing and referral relationships** announced today between AT&T and other global carriers using GSM, the de facto world standard for wireless technology. The companies intend to create streamlined processes that help developers make their applications available to their combined base of hundreds of millions of customers.
- **AT&T Developer Council**, an advisory group hosted by AT&T and made up of leading development and technology companies and other influencers, such as EA Games, Telenav and Bonfire Media.

AT&T also announced a trial program with WaveMarket to make network location information accessible through Veriplace, WaveMarket's cloud location aggregation platform currently in use by more than 1,000 developers. Veriplace allows SMS, Web, WAP and IVR developers to develop location-aware apps and services across device categories and participating carriers. The trial program will launch in the coming weeks.

AT&T Chief Technology Officer John Donovan also said that a new AT&T Virtual Innovation Lab will open in Atlanta in the second quarter to provide developer support for speech, location and messaging APIs (application programming interfaces). In addition, two new Innovation Centers, one in the East and one in the West, are planned for late 2010 to provide 3G and 4G RF (radio frequency) development support, testing and demos.

<http://www.fiercewireless.com>

## **Mergers/Acquisitions/Partnerships**

### **Nuance Communications Buys SpinVox for \$102.5 Million**

December 30, 2009

Nuance Communications Inc., the maker of Dragon NaturallySpeaking dictation software, said it has acquired SpinVox Ltd. for about \$102.5 million to gain speech-recognition technology for voice-mail messages.

The purchase price includes \$66 million in cash and \$36.5 million, or about 2.3 million shares, in common stock, Burlington, Massachusetts-based Nuance said today in a statement. SpinVox's customers include units of Verizon Wireless, Telefonica SA and Vodafone Group Plc, Nuance said.

Nuance is expanding through acquisitions after its biggest investor, Warburg Pincus LLC, bought \$175 million in additional shares to finance more purchases. Nuance

bought document-scanning company ECopy Inc. in October for about \$56 million and acquired speech-recognition company Jott Networks Inc. in July for an undisclosed amount.

SpinVox, based in Marlow, England, began selling its products in 2005 through U.K. mobile-phone chain Carphone Warehouse Group Plc, the Link and other sales channels. The Sunday Times reported on Dec. 13 that the company was considering a \$150 million offer from Nuance.

<http://www.businessweek.com>

### **Motorola to Buy Digital Rights Management Firm**

January 7, 2010

Cell phone maker Motorola Inc. said Thursday it had agreed to buy SecureM LLC, a developer of digital rights management software approved by movie studios and TV broadcasters.

Terms of the agreement were not disclosed.

The transaction is expected to close by the end of March.

SecureM will become part of Motorola's Home & Networks Mobility business, helping secure the distribution of digital entertainment over multiple platforms and devices, including set-top boxes, wireless handsets, computers and portable media players.

<http://www.wirelessweek.com>

## **Emerging Technology**

### **MagicJack Using GSM Femtocell Technology for VoIP**

January 8, 2010

MagicJack, the company behind the Internet calling device that works with analog desk phones, introduced a new gadget that essentially acts as a GSM femtocell that bypasses carriers, letting users make VoIP calls with their mobile phones.

Parent company YMax demonstrated the device at the Consumer Electronics Show, and said it would be begin selling it in around four months for \$40. Users will get a year of free calls to the U.S. and Canada. YMax CEO Dan Borislow had hinted to *FierceVoIP* in June that the company would be producing such a femtocell device.

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The new device--which works with all GSM phones--plugs into a PC so that it can access a broadband connection. Once it detects a cell phone in range (magicJack said the device will cover a 3,000-square-foot home), it calls the phone, and users enter a shortcode to link the phone to the magicJack device. Users will then be able to make VoIP calls from their phones while connected. The company said its device is legal, arguing the spectrum licenses of GSM carriers such as AT&T Mobility and T-Mobile USA do not extend into the home.

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