

This Week's Stories

Verizon Teams with Skype for VoIP Application

February 16, 2010

Making the rumors a reality, Verizon Wireless and Skype today announced that Verizon will launch a custom Skype Mobile application for smartphones in March. The application will be free and will be available for smartphone users with an existing voice and data plan.

The Skype Mobile app will enable Verizon customers to connect with more than 500 million Skype users worldwide. Initially the application will be available on nine devices including the BlackBerry Storm and Storm 2, the Curve and the Tour as well as Android phones such as the Motorola Droid, the Droid Eris and the Motorola Devour.

During a press conference at the Mobile World Congress trade show here, John Stratton, executive vice president and chief marketing officer for Verizon Wireless, said the Skype Mobile application was built specifically for Verizon's network. However, the application will not allow voice-over-WiFi calls from WiFi-equipped Verizon smartphones.

Neither Skype nor Verizon would reveal details on the business arrangement. However, Josh Silverman, CEO of Skype, assured members of the audience that the company will make money from this application, which will enable Skype customers to become "untethered from their laptops." Neither Stratton nor Silverman would say whether the deal was exclusive, however Stratton said that users "won't see an application like this anywhere else in the U.S."

An alliance between these two longtime adversaries is notable. In the past, Skype has challenged wireless carriers over what it perceives as their closed-network mentality. But recently Verizon has become more amenable to working with its former enemies. In October, the company announced a partnership with longtime rival Google, a teaming that has so far produced a handful of Verizon-powered Android phones. At the time, Verizon also said it would support Google Voice.

Of course, Verizon isn't alone in the mobile VoIP arena. AT&T Mobility had long been criticized for preventing VoIP iPhone applications from running on its 3G network. However, the carrier relented on the topic last year, thereby paving the way for Skype's iPhone app to transmit low-cost calls across AT&T's cellular network (previously, only WiFi connections could carry iPhone VoIP calls).

<http://www.fiercewireless.com>

Cox Details LTE Tests, But Highlights Limitations

February 18, 2010

Cable vendor Cox Communications tested LTE network technology on both its AWS and 700 MHz spectrum in Phoenix and San Diego, and has recorded peak speeds in the range of 25 Mbps. However, Stephen Bye, Cox's vice president of wireless services, described wireless as "complementary" to the MSO's wired network and explained that LTE will never handle the traffic loads that fully wired Internet users generate.

Cox announced the LTE trials--running on kit from Alcatel-Lucent and Huawei--in January. But during a presentation today here at the Mobile World Congress trade show, Bye offered a far more detailed look at the results of the trial--and highlighted what the findings mean for the cable vendor's efforts to build a wireless component in addition to its wired telecom efforts.

Bye said Cox's LTE trials showed peak speeds of around 25 Mbps with 2x2 MIMO technology over a 2x5 MHz channel in the carrier's AWS spectrum. However, those speeds were for a single user very close to the cell site. On the cell edge, that same single user would only get around 10 Mbps, according to Cox's tests. Multiple users on the cell edge would see far slower speeds.

To put those numbers into perspective, Bye said Cox's wired Internet subscribers average around 8 GB per month of data use, and the top 1 percent carrier's most active wired Internet users access 200 GB of data per month (those users enjoy wired Internet speeds of up to 50 Mbps, he said). Bye said Cox has witnessed a 200 percent growth rate in 12 months in its customers' wired Internet usage.

"There is an insatiable appetite out there" for data, Bye said. "Clearly, there's not a good solution to deliver that capacity to users with wireless."

He added: "At the end of the day, that tonnage has to go over a wired connection."

Cox has so far focused its wireless efforts on the launch of its CDMA EV-DO 3G network, which it has been building out in AWS spectrum. Cox is currently running three test markets that leverage Sprint Nextel's CDMA network. When Cox launches its own network, Sprint will be one of its roaming partners. Earlier this month Cox rolled out a teaser advertising campaign for the network, which is expected to be formally launched in March.

In the United States, Verizon Wireless has taken the LTE lead and plans to commercially offer the service in 25-30 markets this year, covering 100 million POPs. The carrier

has promised average LTE download speeds of 5-12 Mbps.

<http://www.fiercewireless.com>

Product & Service News

RIM Debuts New BlackBerry Browser to Challenge iPhone

February 16, 2010

Research In Motion Ltd. debuted a new Web browser for its BlackBerry devices today, touting the program as easier and faster to use as the phone maker pursues consumer customers.

The new WebKit browser, available this year, will download files quicker and display Web sites better, co-Chief Executive Officer Mike Lazaridis said yesterday in an interview from the Mobile World Congress in Barcelona, Spain.

RIM needs to improve browsing to win consumers in a market crowded with devices, said Steven Li, an analyst at Raymond James Ltd. in Toronto. Four months ago, RIM debuted a revamped version of the Storm -- a larger-screen BlackBerry for easier browsing -- to respond to mixed reviews of the first version and competition from smartphones like Apple Inc.'s iPhone.

"RIM's competitors have brought better browsers to the market over the past two years, and RIM has had to play catch-up," said Li. "RIM has to improve theirs given they've made the non-business customer focus such a big part of their strategy." He has a "market perform" rating on the shares and doesn't own any.

RIM bought browser-design firm Torch Mobile Inc. last year and has increased the number of Web patents it filed with the U.S. Patent Office fivefold since 2007, according to data from the agency to retool how users browse on a BlackBerry.

Lazaridis, 48, declined to be more specific on the timing of the browser's debut.

"You'll see how fast it downloads, how quickly it renders and how smooth it scrolls and zooms in," he said.

Capacity Crunch

BlackBerry users take up one-third the network space of other browser users, easing a coming capacity crunch spurred by smartphone use, he said.

"Typical operators are likely to find their available spectrum completely consumed in the next three to five years," Lazaridis said, citing a report by Hood River, Oregon-based researcher Peter Rysavy.

The industry needs to take data volumes into account in its charges, increasing incentives for efficiency, Lazaridis said.

RIM is also introducing a new, free software platform for small-business users, known as the BlackBerry Enterprise Server Express, Lazaridis said. The product will help RIM and its carrier partners add smaller corporate customers with fewer than 200 BlackBerry users, he said.

"As the world's gone through the economic crisis in the last little while, there's renewed interest in productivity gains," Lazaridis said. "What we're seeing is a renewed interest in mobilizing workforces"

<http://www.bloomberg.com>

Kindle for BlackBerry Now Available for Free Directly from Amazon

February 18, 2010

Amazon.com, Inc. today introduced "Kindle for BlackBerry," a new application available as a free download from Amazon.com that lets customers enjoy over 420,000 books, including 102 of 112 *New York Times* Bestsellers, on a range of BlackBerry devices. Amazon's Whispersync technology saves and synchronizes a customer's bookmarks across their Kindle, Kindle DX, iPhone, iPod touch, PC, BlackBerry and soon, Mac and iPad, so customers always have their reading material with them and never lose their place. Kindle is the most wished for, most gifted and #1 bestselling product on Amazon.com, and customers can now get the Kindle experience on their BlackBerry by downloading the free app at www.amazon.com/kindlebb.

"Since the launch of our popular Kindle for iPhone app last year, customers have been asking us to bring a similar experience to the BlackBerry, and we are thrilled to make it available today," said Ian Freed, Vice President, Amazon Kindle. "Kindle for BlackBerry is a great way for customers to continue reading their current book wherever they are -- in between meetings, at the grocery store or waiting in the doctor's office. We think customers are going to love how easy and fun it is to read their Kindle books on their BlackBerry."

Customers using BlackBerry devices on AT&T, Sprint, T-Mobile, Verizon and other U.S. carriers can get easy wireless access to over 420,000 Kindle books, including *New York Times* Bestsellers and New Releases, most for \$9.99 or less, by downloading the application for free.

Kindle for BlackBerry lets customers bring their Kindle books with them wherever they go. With the new Kindle for BlackBerry app, customers can:

- Search and browse more than 420,000 books, including 102 of 112 New York Times Bestsellers, directly from their BlackBerry
- Shop the in-app store for an optimized Kindle shopping experience – browse and download samples and full books without leaving the app
- Read the beginning of books for free before they buy
- Access their library of previously purchased Kindle books stored on Amazon's servers
- Automatically synchronize the last page read between their Kindle-compatible devices
- Create bookmarks and view annotations they created on their Kindle, Kindle DX, or Kindle for iPhone and iPod touch
- Adjust the text size of books
- Read books in full color, including children's books, cookbooks, travel books, textbooks and graphic novels

Kindle for BlackBerry is available to customers in the U.S. on a range of BlackBerry devices. For a full list of compatible devices and more information, and to download the free app, visit www.amazon.com/kindlebb.

<http://www.businesswire.com>

Verizon Launches FiOS Mobile Remote App for Droid and Imagio

February 18, 2010



Controlling your TV from your phone isn't a new concept, but Verizon just made it a bit sexier. Verizon FiOS owners this week can nab a new FiOS Mobile Remote app for their Motorola Droid or HTC Imagio. The application

emulates regular remote buttons, but also tosses in an icon-based favorites view of channels, in addition to an ability to sling photos from the phone to the big screen. The phone hooks into your FiOS box over your local WiFi, and requires you to download a widget for the set top box as well to get everything synced up. We're not exactly sure why this is limited to the Droid and Imagio right now -- we're sure the Droid Eris could handle the workload, for instance -- but Verizon does say that it's working on making additional handsets compatible in the future.

<http://www.engadget.com>

AT&T Launching Motorola Backflip Next Month

February 18, 2010

AT&T Mobility will launch the Motorola Backflip next month as its first phone running on Google's Android platform. This announcement makes AT&T the fourth Tier 1 U.S. carrier to offer an Android-based device and third carrier to sell a Motorola Android device. The Backflip will be available March 7 for \$99.99 with a two-year contract and after a \$100 mail-in rebate.

Today's news was not a surprise. At the Consumer Electronics Show in Las Vegas last month AT&T announced that it was going to launch at least four Android phones in the first half of the year, including devices made by Dell and HTC. The deal is a win for Motorola, which is trying to make a comeback by offering Android phones to its carrier partners. T-Mobile USA and Verizon Wireless currently sell Motorola Android devices.

The Backflip is a mid-tier Android device, similar in some ways to the Motorola Devour that Verizon is launching. The Backflip has a reverse flip Qwerty keyboard, so that when the phone is closed the keyboard is on the back. The phone runs on Android 1.5 and features Motorola's MotoBLUR user interface, which combines various social networking and Internet services into one central view on the phone's home screen. The device also has a 3.1-inch touchscreen display, a 5-megapixel camera, WiFi and HSPA 7.2 support.

<http://www.fiercewireless.com>

Industry Reports

Report: Video Still Tops in Data Consumption

February 17, 2010

According to an annual report from ByteMobile, the mobile internet solutions company, video continues to dominate as the main source of mobile data traffic. The report found that mobile videos run on average of 5 minutes, but users tend to "snack" in average increments of about 1 minute, regardless of the length of the content they're watching.

Video was the number one data consumer across all geographies, including the Americas, Asia and Europe.

On iPhone, ByteMobile found that MediaPlayer, Web browser, iTunes and Facebook are the top bandwidth consuming applications. The top five applications on the iPhone consumed 97 percent of all bandwidth on the iPhone network.

As expected, the report found that all is not equal in the land of mobile bandwidth consumption. According to ByteMobile's metrics, 10 percent of mobile users account for approximately 85 percent of total data consumed.

<http://www.wirelessweek.com>

Report: Dropped Calls More Frequent in Smartphones

February 19, 2010

Smartphone users are more likely to experience dropped calls and poor voice quality, according to a new report from J.D. Power and Associates.

The company's 2010 Wireless Call Quality Performance Study found that smartphone customers are nearly three times more likely to experience dropped calls than traditional mobile phone customers. They also report that smartphone customers experience problems at a rate that is 6 per 100 calls greater than problems experienced by subscribers using lower-end handsets.

"As carriers continue to upgrade network infrastructure, expand coverage areas and improve data speeds, smartphone usage will continue to test network capacity," said Kirk Parsons, senior director of wireless services at J.D. Power and Associates in a statement. "Smartphones will continue to stress wireless networks with higher data usage for texting, e-mailing and Web surfing, so it is crucial for wireless carriers to enhance existing network

speed and capacity, as well as to develop and upgrade to next-generation technologies."

Growth in smartphone subscribers caused call quality to drop overall. The company found that the number of dropped calls hit 6 per 100, compared to 4 per 100 calls six months ago. Calls with poor voice quality increased to 13 per 100, from 11 per 100 six months ago.

"Wireless customers rely on their phones to do everything from providing them with driving directions to sending picture messages, as well as placing calls, so carriers must provide their customers with a problem-free experience to keep them satisfied," Parsons said.

"Wireless customers have higher expectations of their phones and the networks on which they operate than ever before. Carriers must continue to deliver on their promises for faster and more reliable connections as the number of customers using these advanced devices grows."

J.D. Powers and Associates also ranked U.S. Cellular and Verizon Wireless top most in call quality. Verizon had fewer customer-reported problems with calls than other operators in the Northeast, Mid-Atlantic, Southeast, Southwest and West regions of the U.S. This is the 11th consecutive time Verizon has landed the top spot.

U.S. Cellular beat out Verizon in the North Central region, where the carrier ranked highest for the ninth consecutive time.

<http://www.wirelessweek.com>

Emerging Technology

Visa and DeviceFidelity Collaborate to Accelerate Adoption of Mobile Contactless Payments

February 15, 2010

Visa Inc, the world's largest retail electronic payments network¹, and DeviceFidelity Inc. today announced plans to market an innovative solution that can enable a mobile phone with a memory card slot to be used as a Visa mobile payment device.

The solution combines Visa's contactless payment technology, Visa payWave, and DeviceFidelity's In2Pay™ technology to transform a mobile phone with a microSD memory slot into a mobile contactless payment device. This can enable consumers to make mobile Visa payWave transactions at any retail location that accepts contactless payments. Trials are scheduled to begin in the second quarter of 2010.

This collaboration aligns with Visa's mobile strategy to extend the reach of its global network to bring mobile

payments and related services to consumers around the globe. With more than 4 billion mobile devices in market today, Visa, in partnership with financial institutions, mobile network operators and handset manufacturers, is working to deliver the benefits of mobile financial services to consumers worldwide.

"Visa's goal is to develop innovative ways to bring the value of Visa digital currency to mobile users around the globe," said Dave Wentker, Head of Mobile Contactless Payments at Visa Inc. "Through our collaboration with DeviceFidelity, Visa is helping to accelerate the adoption of mobile contactless payments and pave the way for the global deployment of NFC-enabled devices."

Visa's global transactions processing network, VisaNet, and its contactless payment technology play a critical role in securely processing transactions initiated with the In2Pay solution, providing real-time fraud monitoring and encryption technology that work in concert to prevent counterfeit fraud and ensure that mobile initiated Visa transactions are as secure as all Visa payments.

"We're committed to helping the industry unlock the true promise of the mobile phone and deliver a new wirelessly connected payment offering that is faster, more secure, and more convenient than traditional forms of electronic payment," said Deepak Jain, CEO of DeviceFidelity. "We are excited to be working with Visa, the leading brand in payments, to make mobile payments a reality in countries around the globe."

The In2Pay solution conforms to the industry standard for memory chips, microSD, and fits into the memory card slot found in many existing mobile devices in market today.

In2Pay integrates seamlessly with multiple mobile phone operating systems, enabling a flexible application interface and interactivity with the consumer. In2Pay uses an onboard software controlled antenna and an industry standard dual interface contactless smart card chip that supports Visa payWave, as well as other contactless applications popular with consumers such as transit, identification and access control.

In addition to DeviceFidelity, Visa is also working with key technology providers and strategic alliance partners to test and deploy this innovative mobile contactless payment technology, including CPI Card Group, Inside Contactless, Monitise plc, and NXP Semiconductors.

¹ Based on payments volume, total volume, number of transactions and total number of cards in circulation.

<http://www.businesswire.com>



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