

## **This Week's Stories**

### **Google 'to Reorganize YouTube Channels'**

April 7, 2011

US Internet giant Google is preparing a major overhaul of video sharing website YouTube by creating "channels" to compete with broadcast and cable TV, The Wall Street Journal reported on Thursday.

Under a plan costing as much as \$100 million, the YouTube homepage will highlight different channels focused on topics like arts and sports, the Journal said, citing people familiar with the matter.

About 20 of the channels will present several hours of original programming produced professionally each week, while other channels would use content already available on the site.

The launch will be phased over time, starting before the end of the year, and YouTube is hiring help to implement the initiatives.

In recent weeks, YouTube was also said to have held meetings with Hollywood talent agencies, which the newspaper said were more likely to produce deals with directors of production companies than with movie stars and other celebrities.

YouTube, already the third most viewed website in the world, hopes the plan will further boost traffic to the site and take a bite out of the \$70 billion US television advertising market.

Executives of the site told the Journal they want people to "watch YouTube" the same way they "watch TV."

[news.yahoo.com](http://news.yahoo.com)

### **More on Samsung and Sprint Nextel's Network Upgrades**

April 5, 2011

Samsung Telecommunications America and Sprint Nextel said they have hired wireless industry consultants Black & Veatch for their network upgrade program. The project spans multiple states and will implement Network Vision, the next evolution of the Sprint Nextel network.

So far, Sprint Nextel has awarded network upgrade contracts to Alcatel-Lucent, Ericsson and Samsung to

purchase new hardware, software and various network services to boost and improve its overall network capabilities for the next ten to fifteen years.

The total estimated incremental cost of the network vision program during the deployment period is between \$4 billion and \$5 billion.

Sprint Nextel estimates that the total net financial benefit for a seven-year period to be between \$10 billion and \$11 billion.

Black & Veatch will deliver site acquisition, architectural plans and engineering, project management and construction services to support Samsung on a multi-year infrastructure program to bolster voice quality, increase data speeds, aid with network flexibility and expandability, cut operating costs and increase environmental sustainability.

The program comprises thousands of cell sites and includes plans for Samsung to deploy multi-mode base stations in markets from the Pacific Coast to the Great Lakes including San Francisco, Seattle, Denver, Chicago and Pittsburgh.

Black & Veatch officials didn't provide how much the contract with Samsung is worth, but its telecommunications division has quadrupled its revenue during the past three years from \$63 million in 2007 to more than \$300 million in 2010 and gone from 3 to 10 percent of all revenue within the company.

Employees dedicated to telecommunications at the company have grown from 300 to 800 within the same three years.

[www.wirelessindustrynews.org](http://www.wirelessindustrynews.org)

### **4G More Important to Customers than iPhone**

April 6, 2011

The iPhone 4 has already topped one million in sales, in keeping with the general popularity of Apple gadgets. However, there is some disappointment over at Apple, where the numbers were expected to be higher.

The reason?

Verizon 4G and the Thunderbolt.

Verizon has been aggressively promoting its 4G LTE network, and the phone the company has been primarily using to advance 4G has been the new HTC

Thunderbolt. The Thunderbolt has received very positive reviews from industry analysts and users alike, and is the new "it" thing for many technology geeks – the iPhone is old news. A recent survey discovered that the Thunderbolt has been outselling the iPhone in most US locations. The reason for this is that, per Smartphone usual, the iPhone comes complete with a two-year contract. As it is only 3G-capable, more forward-thinking customers naturally opt for the 4G alternative, especially given recent reports that Verizon LTE is far quicker than its rival 4G networks.

A 4G capable Verizon iPhone is in the works, as AT&T's exclusive rights to the iPhone expire this year, and that phone is expected to surpass both the Thunderbolt and the current iPhone, as the sophisticated Apple OS paired with the super-fast LTE network makes for a lethal combination. But that phone is expected to take a while before it is unveiled, and in the meantime the Thunderbolt is enjoying its 15 minutes of fame.

The Thunderbolt was designed to serve as a filler until Verizon got its hands on a 4G iPhone, yet it is doing quite well in its own right. The good people at Verizon must be very pleased.

[www.goinglte.com](http://www.goinglte.com)

## **Emerging Technology**

### **Motorola Mobility Intros SocialTV Service**

April 8, 2011

Motorola Mobility is trying to make it easier for people to multitask during their downtime.

The company launched a new tool yesterday called the SocialTV Companion Service. It lets content or service providers create an application that adds functionality to a tablet, smartphone, or laptop related to the show a person is watching on their primary television. The company sees providers "leveraging social networking, loyalty programs, advertising, and product merchandising" with the service.

Multitasking in the living room is becoming an increasingly popular exploit for consumers. In fact, last year, Deloitte found in a survey on 3D TV that 30 percent of respondents did not like the idea of wearing 3D glasses in the living room. Deloitte director Ed Moran said in a statement at the time that 3D glasses are a "barrier to the multitasking that consumers engage in while watching TV, including surfing the Web, reading e-mail, talking on instant

message, and reading books, newspapers, and magazines."

That study followed Motorola Mobility's own Media Engagement Barometer, which it said shows "nearly 40 percent of Americans would prefer a TV viewing experience that offered access to value-add services."

Motorola's SocialTV Companion Service attempts to capitalize on that. Providers can add games and social features to facilitate interaction among a show's viewers. A real-time chat function is also available to providers, so people can communicate while a show is on the air.

A Motorola representative told CNET in an e-mail today that SocialTV will work with the company's range of mobile devices, as well as third-party platforms "with HTML5-compliant browsers." Thanks to that, other Android-based devices, as well as Apple's iPhone and iPad, will support the service.

[news.cnet.com](http://news.cnet.com)

## **Mergers & Acquisitions**

### **Skepticism Greets AT&T Theory**

April 4, 2011

One of AT&T Inc.'s chief justifications for its proposed takeover of rival T-Mobile USA is that the combination would quickly improve network quality and help solve a looming shortage of wireless spectrum in some cities.

If regulators clear the \$39 billion transaction, AT&T executives say the denser cellular network would improve voice calls and data communications in urban areas and speed the construction of its faster fourth-generation data network.

But some industry executives and former FCC officials are skeptical the merger is the best way to address AT&T's network needs. Instead, they say AT&T could add capacity to current cell towers or purchase under-utilized spectrum in a government-led auction, or from other companies.

"Putting the two networks together does not create spectrum," said Gerald R. Faulhaber, a former chief economist of the Federal Communications Commission, who has worked as a consultant for AT&T and its rivals.

Underlying the debate is the explosive growth of data usage on wireless networks as more Americans purchase smartphones and tablet computers, which

allow consumers to more easily surf the Web, watch videos and download applications and games.

AT&T says its mobile data traffic jumped 8,000% over the past four years. That growth has strained AT&T's network in some cities like New York and San Francisco. Consumers and regulators have dinged AT&T for dropped phone calls and spotty coverage since Apple Inc.'s iPhone was launched on the network in 2007.

[online.wsj.com](http://online.wsj.com)

## **Products & Services**

### **WatchESPN app Extends Live Sports Programming to iOS Devices**

April 8, 2011

Sports media giant ESPN launched WatchESPN, a new application enabling Time Warner Cable, Bright House Networks and Verizon FiOS TV subscribers to access live programming via iPhone and iPod touch devices.

The free WatchESPN app encompasses content from the ESPN, ESPN2 and ESPNU cable networks as well as the broadcaster's ESPN3.com online effort, which touts millions of hours of college football, college basketball, Premier League soccer, cricket and rugby coverage, much of it exclusive to the web.

ESPN adds that the app also boasts a user interface optimized for high-resolution, multi-touch iOS device displays, and states a version customized for Apple's (NASDAQ:AAPL) iPad tablet will be available for download next month. The broadcaster also promises versions of WatchESPN tailored for other smartphone and tablet operating systems, including Android.

Time Warner Cable, Bright House Networks and Verizon FiOS TV together cover 18 million U.S. households. While WatchESPN spans most of the ESPN programming slate, including this weekend's Masters golf championship, Major League Baseball and the forthcoming NBA Playoffs, licensing restrictions will block certain telecasts from the WatchESPN service--most notably, ESPN will be unable to offer *Monday Night Football* to mobile device users. Verizon Wireless' (NYSE:VZ) signed a reported \$720 million exclusive mobile media partnership with the National Football League in March 2010.

[www.fiercemobilecontent.com](http://www.fiercemobilecontent.com)

### **Time Warner Cable Testing WiMAX Smartphone**

April 5, 2011

Apparently, communications mega-company Time Warner Cable is testing a WiMAX-enabled Smartphone. The company is working with an unnamed vendor on the project.

"Mobile voice over the 4G network is something we are evaluating at this time," said TWC spokesman Justin Venech. "But we don't have formal launch plans in place in regards to a mobile voice product."

Time Warner plans on running its phone with Clearwire's WiMAX and Sprint's CDMA networks. Until now, TWC resold WiMAX services as a data-only offering, a service also provided by TWC rival Comcast. The current move into voice will put the company in competition with the likes of AT&T and Verizon.

Time Warner does have some experience in the voice-calling arena – at one time, the company offered voice and data services through the no longer extant Pivot joint venture with Sprint. But this decision comes at an interesting time, as the company's wireless business comprises a miniscule portion of its revenue and, at 15,000 WiMAX subscribers, is fairly insignificant. It has been surmised that perhaps TWC worked something out with Sprint, who has been looking for ways to expand its footprint recently.

News that AT&T outbid Sprint in its attempts to buy up T-Mobile USA recently hit Sprint hard, as the merger will relegate Sprint to the nation's third-largest subscriber base—a customer base that is miniscule in proportion to AT&T and Verizon's. Sprint has also been concerned with recent reports that its WiMAX 4G network will soon be outstripped by LightSquared's LTE network, which is used by both Verizon and AT&T.

[www.goingwimax.com](http://www.goingwimax.com)

## **Industry Reports**

### **Mobile app Developers Divided Between Apple's iOS and Android**

April 5, 2011

There's been a rather long debate back and forth over the past weekend between Union Square Ventures' Fred Wilson and Instapaper's Marco Arment about whether it's wiser to be writing mobile apps for Apple's iOS or Google's Android OS. The debate comes from the results from a survey of 250 working mobile app developers released yesterday by market research firm Baird's William Powers.

A venture capitalist by profession, Wilson has been advising app developers to write first for Android, predicting that the iPhone vs. Android battle will turn out to be very similar to the debate with Windows vs. Macintosh back in the mid-1990s.

But an app developer himself, Arment still thinks that's bad advice in some cases. He believes Android's market share gains may be illusory -- especially when the rise of the iPad is taken into account -- and that as a development environment, Google's Android has serious shortcomings, nevertheless.

And Baird's survey suggests that app developers have taken Wilson's advice-- and some in more than one. About 71 percent of all respondents said they were writing apps for Android vs. 62 percent for iOS. None of the other platforms drew more than about 27 percent of the overall interest.

However, Baird's study also suggests that programmers writing for Android are finding the ecosystem to be every bit as perilous as Arment predicted.

[www.wirelessindustrynews.org](http://www.wirelessindustrynews.org)

### **Bill Shock Legislation Revived in Senate**

April 6, 2011

Sen. Tom Udall (D-N.M.) introduced a piece of legislation yesterday aimed at reducing bill shock, the unexpectedly high bills sometimes received by wireless subscribers.

The legislation marks Udall's second attempt to get the bill shock measure through the Senate.

The Cell Phone Bill Shock Act of 2011 would require wireless operators to notify their customers by SMS or e-mail when they've used 80 percent of their monthly limit of voice minutes, text messages or data usage.

The bill would also require wireless providers to obtain a customer's consent before charging for services in excess of their monthly limit of voice, text or data usage.

"Sending an automatic text or email notification to a person's phone is a simple, cost-effective solution that should not place a burden on cell phone companies and will go a long way toward reducing the pain of bill shock by customers," Sen. Udall said in a statement.

Sen. Udall, a member of the Senate Commerce Committee, introduced a similar bill last September, but the measure died in committee.

His current bill currently does not have any cosponsors and its success is unclear. The bill was read twice yesterday before being referred to the Senate Commerce Committee, which failed to move on Sen. Udall's bill last fall.

CTIA has lobbied against laws and regulations on bill shock, and came out against Sen. Udall's latest proposal.

CTIA spokeswoman Amy Storey argued that government measures to help reduce unexpectedly high wireless bills were not necessary since wireless operators already provide subscribers with tools to manage their accounts.

"Legislation that attempts to standardize these practices will also have the effect of freezing these developments in place and limiting innovation," Storey said. "That doesn't help consumers."

The bill shock legislation was prompted by an FCC report on the matter last spring and several high-profile instances of large, unexpected charges on subscribers wireless bills, including the case of a Navy ROTC midshipman who mistakenly left his smartphone's roaming function turned on while he was abroad and returned home with a bill for almost \$1,300.

A survey from the FCC last spring found that one in six U.S. wireless subscribers have been hit by unexpectedly high wireless bills. Of those, 84 percent said their wireless carrier did not contact them when they were about to exceed their limits, the FCC reported.

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The agency used the data to support its bill shock proposal last fall. The FCC has yet to move on the measure.

The proposals from Sen. Udall and the FCC are similar to measures taken by the European Union, which requires wireless phone companies to provide notifications to their customers when they have reached 80 percent of their monthly data roaming services.

[www.wirelessweek.com](http://www.wirelessweek.com)



120 Madison St. 15<sup>th</sup> Floor  
Syracuse, New York 13202  
(315) 470-1350  
1-888-8KSRINC