Telecom CEOs: U.S. Regulators Better Than Europe

PETER SVENSSON, AP Technology Writer

BARCELONA, Spain (AP) — The CEOs of AT&T, Vodafone and Telefonica — three of the world's largest cellphone companies — had some rare words of praise for U.S. regulators Monday, saying they're doing better than their European counterparts in promoting faster wireless data networks.

AT&T CEO Randall Stephenson told an audience at Mobile World Congress, the world's largest cellphone trade show, that the U.S. government's practice of selling phone companies large swathes of space of the airwaves for perpetual use was helping encourage companies, including AT&T, to build out large networks using the latest "LTE" technology.

By contrast, many European countries lease out space on their airwaves for eight- to 15-year terms. The perpetual licenses in the U.S. gives phone companies the incentive to invest, Stephenson said. The large, contiguous slices of spectrum the U.S. sold in its latest auctions make it easy to build fast networks, he added.

He was joined in a panel discussion by Vittorio Colao, the CEO of British-based Vodafone Group PLC and Cesar Allerta, his counterpart at Spain's Telefonica SA, both of whom agreed with him. Vodafone and Telefonica have wide international holdings.

Verizon Wireless launched LTE service in the U.S. in 2010, followed by AT&T the year after. Both are using airwaves that regulators reclaimed from TV broadcasters — a process that has run slower in Europe.

The cellphone trade show is being held in Barcelona, Spain, a country that illustrates the slow build-out of LTE in Europe. There are some LTE pilot projects in the country, but no plans for full nationwide build-outs. There are exceptions in Europe, like Sweden, where four phone companies offer LTE mobile services.

According to trade group 4G Americas, there were 33 million LTE-capable devices in North America at the end of last year, representing 52 percent of global LTE connections. Japan and South Korea also have strong LTE networks. The GSM Association, which organizes the show, said Europe accounts for 6 percent of global LTE devices.

Still, a recent industry study has found greater competition among LTE providers in Europe, leading to lower prices for European consumers.

The study published last October by Wireless Intelligence, part of the GMS Association, found a gigabyte of data cost $2.50 on a European LTE plan, about half

the global average of $4.86.

In Sweden, which became the first country to switch on a commercial LTE network in 2009, an LTE contract can cost as little as $0.63 per gigabyte. The study compared this to U.S. operator Verizon's best value 4G data tariff, which cost $7.50 per gigabyte at the time.

By mid-2012 there were 38 operators offering LTE across 18 European markets — almost half of the global total — the study found.

Source URL (retrieved on *12/12/2013 - 6:20pm*):
http://www.wirelessdesignmag.com/news/2013/02/telecom-ceos-us-regulators-better-europe?qt-digital_editions=0