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# **Communications IT News**

By Jesse Cryderman

## Verizon tops in wireless network quality

Which communications service provider (CSP) has the best network quality in the United States? According to the latest report from J.D. Power, Verizon Wireless leads the pack in all regions. The marketing firm also found that overall network performance varies widely by service segment and service use case, meaning solution providers still have plenty of nuts left to crack, and its report goes on to quantify investment in network upgrades: customers who switch service providers based on network quality pay, on average, \$17 more per month. Additionally, customers with 4G LTE service are more loyal to their CSPs and report fewer problems than those with 3G.

These findings are corroborated by a recent survey conducted by Vasona Networks that highlights the importance of mobile-data network performance. Most smartphone users expect faultless mobile-data service and 100 percent network uptime, according to the survey.

"Mobile internet performance is becoming increasingly important for consumers, and this survey indicates just how high a bar subscribers are setting for their service providers," said John Reister, Vasona's VP of marketing and product management, in a press release. "Our findings indicate that it is no longer sufficient for mobile operators to offer a good experience most of the time across most of their network. Today, if every cell [phone] isn't delivering great performance, subscribers are being let down."

## VoLTE: coming to a network near you

Despite years of development, voice over LTE, or VoLTE, isn't yet a reality for most mobile network operators (MNOs), but the latest market research from Infonetics signals that a change may be on the horizon. Service providers' spending on VoIP and IMS equipment is up 30 percent thanks to VoLTE, with Huawei, Alcatel-Lucent and Genband at the head of the class of network equipment manufacturers (NEMs) serving this market segment. As the month of August drew to a close, an additional operator, Scartel, announced impending VoLTE service, which means a total of 12 MNOs are prepped to launch VoLTE by the end of this year. Like so many others, Scartel's prime partner in its march toward a successful launch is Huawei.



#### The new NSN

What's in a name? Everything. Since Nokia bought out Siemens's stake in Nokia Siemens Networks in July, NSN will now be known as Nokia Solutions and Networks. The rebranding includes color and font changes but, thankfully, leaves email addresses and, more importantly, brand awareness unchanged.

August was a good month for the new NSN. First, Gartner placed the company in the "Leaders" section of its Magic Quadrant for LTE Network Infrastructure. Then the solution provider scored a large network-upgrade deal with Russia's largest mobile operator, MTS, whose chief technology officer, Andrei Ushatsky, extolled NSN's expertise in an official announcement: "It is a challenge to install and integrate new equipment into our existing network without disrupting end-user services. I am sure that our specialists, in cooperation with NSN's experts, will ensure a swift execution of this project, thus improving the quality and safety of voice and internet services for our customers."

NSN also tallied a win for its customer experience management (CEM) solutions. Since early summer Beijing Mobile has implemented the company's innovative quality of experience (QoE) service, which links network performance to subscribers, and watched as its customer-experience numbers have steadily improved, all thanks to the network insights of NSN.

## Time Warner Cable takes live TV to Xbox 360

Driven by a never-ending proliferation of viewing options and services, the battle for video has never been hotter, but aggregating the numerous video-content streams under a single service portal and authenticated login is a challenge for cable TV providers. Comcast Xfinity and Verizon FiOS currently stream select programming through Xbox 360, the game console that's just as often used as a home-media gateway, and now Time Warner Cable (TWC) has inked

the biggest deal of its kind to deliver 300 channels of live television via Microsoft's popular device.

Blair Westlake, corporate vice president of Microsoft's Media & Entertainment Group, underlined the importance of a single media portal in TWC's news release, saying, "TWC TV is a significant addition to Xbox 360, bringing our customers their favorite entertainment in one place—enhanced TV experience, games, movies, music, sports, and entertainment apps."

#### Vodafone and Verizon on verge of breakup

Following persistent speculation, Vodafone has confirmed that it is indeed engaged in talks to sell off its 45 percent stake in Verizon Wireless to Verizon. The deal is estimated to be worth as much as \$130 billion.

The two global service providers have had a rocky relationship for years—this isn't the first time they've considered breaking up. Vodafone responded to news reports of the impending divorce on August 29 with a terse statement on its website: "Vodafone notes the recent press speculation and confirms that it is in discussions with Verizon Communications Inc. regarding the possible disposal of Vodafone's US group whose principal asset is its 45% interest in Verizon Wireless. There is no certainty that an agreement will be reached."

Next question for the rumor mill: will Vodafone sell to ... AT&T? In a surprising twist of Red and Blue, pundits are pointing to none other than AT&T as the front runner for a buyout if Vodafone goes up for auction. On August 30 telecom analyst James Barford told <u>Bloomberg</u>, "Were somebody to buy Vodafone, AT&T would be the primary candidate."

The CSP has been eyeing expansion into Europe for some time, and insiders say it's already taken a close look at both Telefónica and EE.

### AT&T preps contract-free Aio Wireless for nationwide launch

In uncertain economic times long-term contracts can feel like financial handcuffs, which is why the success of MNOs like MetroPCS and Cricket has driven tier 1 service providers to adopt no-contract strategies of their own. T-Mobile, for instance, sells contract-free service under its own brand name, while Verizon and Sprint are pitching Verizon Wireless Prepaid and Sprint as You Go, respectively.

On the heels of AT&T Wireless, the company's latest cellular brand, Aio Wireless, is set to launch nationwide later this month; the value-priced service is already available in Texas, Florida, Georgia, and Chicago. Aio Wireless offers its customers contract-free, unlimited 4G LTE service packages

for a much lower price than AT&T Wireless, and is attempting to attract new customers by offering a free month of service after two paid months.

Jennifer Van Buskirk, the president of Aio Wireless, hopes the carrier's network quality and device portfolio will lure additional customers who are fed up with high prices but are afraid that quality of experience—and smartphone selection—are lacking in the no-contract market. "We invite customers across the country to switch to Aio and experience our first-class service with no annual contracts," she said in a press release. "We want to make it easy for consumers almost anywhere in the US to get great value in their wireless service, with the network coverage and experience they deserve, and devices they can be proud to own."

T-Mobile recently filed suit against AT&T and Aio Wireless for using colors that, it says, resemble its signature magenta. In its official complaint the company argues that "AT&T Inc set up Aio to compete directly with T-Mobile," and that the selection of magenta by Aio "is likely to dilute" its own "color trademark, and to create initial interest confusion."

T-Mobile is very serious about its allegations, but an injunction prior to Aio's nationwide launch seems unlikely. While lawyers will inevitably battle it out in the courts, fiery T-Mobile CEO John Legere took to Twitter on August 28 to publicly mock AT&T.

## Telefónica scores major smart-grid deal

Smart meters and the smart grid represent smart business opportunities for CSPs seeking to move into new markets. Last month Telefónica outmaneuvered its competitors to score a landmark deal in the UK, netting a contract for smart-grid communications worth at least \$2.3 billion. The company also inked a deal with Evernote and will push a free premium version of the popular app to its customers in Latin America and Europe.

# Orange and Visa partner on mobile money

Orange continued its innovative push into mobile money by announcing a groundbreaking deal with Visa on August 6. Emerging markets such as Botswana will be the first targets for the companies' new mobile financial services, but the combination of a global service provider and a powerhouse like Visa is sure to create waves that will reach all shores in due time.