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NewsWatch

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The race for broadband stimulus is a source of much attention in the United States. Leap Wireless, partnering with One Economy, applied for a grant in order to provide wireless broadband in five cities to low-income individuals. Level 3 has plans to apply under the plan of providing service to underserved regions. Larger companies, like Qwest, AT&T, Comcast, have decided not to apply for funding. Verizon Wireless is also unlikely to apply. Still, all told, 2,200 applicants have submitted applications for a total of 28 Billion USD. The stimulus funds available are approximately one quarter of that amount, meaning that more than a few companies are going to be less-than-stimulated after funding wraps.

Verizon Wireless recently completed the first trials of LTE 4G data calls in Boston and Seattle under the 3GPP Release 8 standard and using the 700 MHz spectrum. Tony Melone, senior vice president and chief technical officer at Verizon Wireless, said, "Verizon Wireless, with outstanding cooperation from our partner suppliers, is fully committed to harnessing the power of LTE over our 700 MHz spectrum. This combination of state-of-the-art technology and prime spectrum will soon make a ubiquitous, highly mobile, super-fast broadband experience a reality for customers. This significant milestone in our LTE 4G network testing, exemplified by the first data calls in Boston and Seattle, further validates our early support and decision to select LTE as the standard for our next-generation wireless broadband network." With Verizon taking steps toward pushing 4G technology into the foreseeable future, wireless users across the country will likely be demanding it and competing carriers are going to have to make sure they keep up.



Verizon is also in the news this month as it took responsibility for billing errors that caused customers nationwide to be charges \$1.99 for wireless data services they were not using. The carrier will be refunding the customers who were erroneously charged. The entire episode demonstrates the widespread effect a simple billing error can have, as well as the additional attention being paid to such issues by end-users, surely due, at least in part, to a still-unsteady economy and an increasing number of higher-profile billing glitches.

Qwest issued a 60 day notice to its wireless subscribers stating that they must find another carrier due to Qwest's decision to discontinue its wireless service on October 31st, 2009. While the subscribers have a say in who their new carrier will be, Qwest is encouraging them to choose Verizon Wireless and offering a combined billing incentive for those that do. Qwest's intent to being offering Verizon Wireless services to its customers was announced officially in 2008. Customers will be able to keep their numbers and will not suffer any early termination fees. Since we mentioned above that Verizon Wireless is working on the 4G network, customers interested in that will have even more impetus to choose Verizon.



Best Buy has decided that its first Best Buy Mobile stand will reside in Dallas, Texas. The giant electronics chain plans to open forty of them for this fiscal year, the idea being that consumers can shop the increasingly confusing mobile arena in one stop, with help and advice from knowledgeable sales associates. While this has always been available to some degree (certainly our readers have seen the various multi-mobile stores somewhere in their own neighborhoods), the Best Buy brand name may lend itself to an extra sense of trust customers may not have in the mom and pop mobile conglomerate shops, thereby bringing in more customers than normal. Assuming this idea takes off to Best Buy's satisfaction, it makes one wonder what the future holds for the branded stores that each mobile company usually staffs. Will customers want to continue going to each individual shop to check out the deals and phones? Or will visiting a store that aggregates them all into one spot, along with someone that can help them choose, be the future of mobile shopping?

Telecom giant AT&T has reached a tentative settlement with the CWA (Communications Workers of America) regarding 7,000 more of its workers who are covered under CWA contracts. That means that almost half of the 100k workers covered under such contracts have settled, bringing AT&T that much closer to the end of that particular chapter. This is the fourth such agreement to be negotiated between AT&T and the CWA.

Although the news of jobs cuts has slowed tremendously in recent weeks, it hasn't come to a complete halt. Sonus Networks plans to cut 93 positions, accounting for 10% of its workforce, a cut that the company says is part of the final phase of the restructuring it began last year. While job cuts are never a good thing, the fact that it's part of a restructuring already in progress, coupled with the slowing down of other companies eliminating positions may be a good sign that economic progress will take an upturn sooner than later.

In further job-loss news, the future continues to be shaky for former Nortel employees. More pension and benefit cuts are likely for Nortel retirees and former employees, said the attorneys representing the former workers in a webcast last week. Ultimately, questionable cashflow continues to be a concern for the fallen giant, as business units are sold off. Even with the overall economic outlook appearing to be a touch less bleak, stories like this continue to be an unfortunate reality in the industry.