

# Watch your wireless alternatives

The market for alternative broadband services like wireless and satellite is growing at 192pc a year. Could fixed line DSL providers find themselves eclipsed in 2007?



**S**MALL and medium-sized companies across Ireland in areas that can't get fixed or DSL broadband are being urged to look at alternative means to getting what is considered a commonplace 21st-century communications tool for doing business.

The most recent quarterly report from ComReg showed that 42pc of internet users are now using a DSL broadband product to get online. However, the same report revealed that one third of dial-up (56Kbps narrowband) internet users who want to get a broadband product cannot.

The report found that 42pc of dial-up users in Connacht and Ulster attempted to get broadband and failed.

Meanwhile 15pc of dial-up users in Dublin attempted to get broadband and failed, leading to an observation by lobby group IrelandOffline that the digital divide between Dublin and the rest of Ireland was widening.

"These figures show that the rate of dial-up in Connacht and Ulster is far higher compared to Dublin," observed IrelandOffline spokesman Damian Mulley.

The survey says that 39pc of internet users in Ireland are on regular dial-up products which run at a speed of 56Kbps.

As a whole, users of real broadband, anything from 500Kbps upwards, amount to 47pc when you count in wireless, cable and mobile devices

alongside DSL. Some 8pc of internet users are based on ISDN (between 64Kbps and 128Kbps).

While the situation appears dire and unbecoming of a country with "knowledge economy" aspirations, help may be at hand.

Small and medium-sized businesses in areas not served by DSL are being urged to consider alternative means of getting broadband such as cable, wireless and satellite. A new report by the Fixed Wireless and Satellite Group of TIF (Telecommunications and Internet Federation) at IBEC claims that the wireless broadband market is growing at a rate of 192pc a year.

The group produced a report earlier this week advising businesses of the merits of the various types of technology from Wi-Fi to WiMax and HSDPA (high-speed downlink packet access).

Gary Keogh, general manager of COLT Telecom and head of the Fixed Wireless and Satellite Group of TIF, said the significance of wireless to businesses or homes who can't get DSL should not be underestimated. "A permanent connection opens up your business to the world, providing opportunities for streamlining business processes," Keogh explained.

"Not only can you support customers virtually anywhere, you can also market your services to a much wider audience across the internet."

He said the guide would be useful to companies that don't want to be left behind. "Our aim is to educate the market and put all the information at their fingertips.

"The guide includes the headings 'what is broadband and what can it do for you?', 'what are your business needs and what technology will best serve them?' and 'what differ-

ences are there between the different technologies?'"

**'Wireless and satellite systems can serve areas that are not currently served by fixed-line operators'**

TIF director Tommy McCabe pointed to a recent OECD report on broadband that revealed Ireland had one of the highest usages of wireless broadband in Europe.

A similar report from Ofcom revealed that Ireland had the highest penetration of Wi-Fi hotspots in Europe.

However, Irish wireless and satellite broadband providers feel that the market is far from saturated.

"Broadband take-up overall is at its highest ever level in Ireland. All operators are now adding wireless solutions to their portfolios to reach the widest possible customer base," McCabe observed.

"Wireless and satellite systems can provide service in areas that are not currently served by fixed-line providers but that is not the only consideration. Businesses may find that at a particular price point, the wireless solution gives them exactly the service level that they need, which might not be matched by a fixed-line product.

"The reverse can also be true. Our guide is intended to help businesses make the best choice for their individual needs," McCabe pointed out.

Just as the TIF report came

out, third-generation (3G) mobile operator 3 earlier this week launched its HSDPA mobile broadband offering which enables personal and business users to access the internet using data cards and handheld devices at speeds of up to 3.6Mbps over 80pc of the country

"Because of the slow rollout of fixed-line broadband services, uptake in Ireland has lagged behind other European countries," commented 3 Ireland managing director Robert Finnegan.

3's mobile broadband packages start at €24.99 for a 250MB monthly download limit and €39.99 for a 3,000MB limit. Data cards will start selling at €49 rising up to €99. Once a user goes beyond their allotted limit, the service will cost 49c per minute.

At the time of its launch 3 claimed to have been first with HSDPA in the country, raising the ire of Vodafone. A spokesperson for the company pointed out that Vodafone actually launched its HSDPA service in November and currently has in excess of 5,000 devices operating on this 3G broadband network.

The Vodafone HSDPA network currently covers 59pc of the country at speeds of 1.4Mbps, which the spokesperson said will increase in the coming months.

In August O2 revealed that it was investing €250m to upgrade its present 3G network to be capable of handling HSDPA with peak rate speeds from 3.6Mbps up to 14.4Mbps.

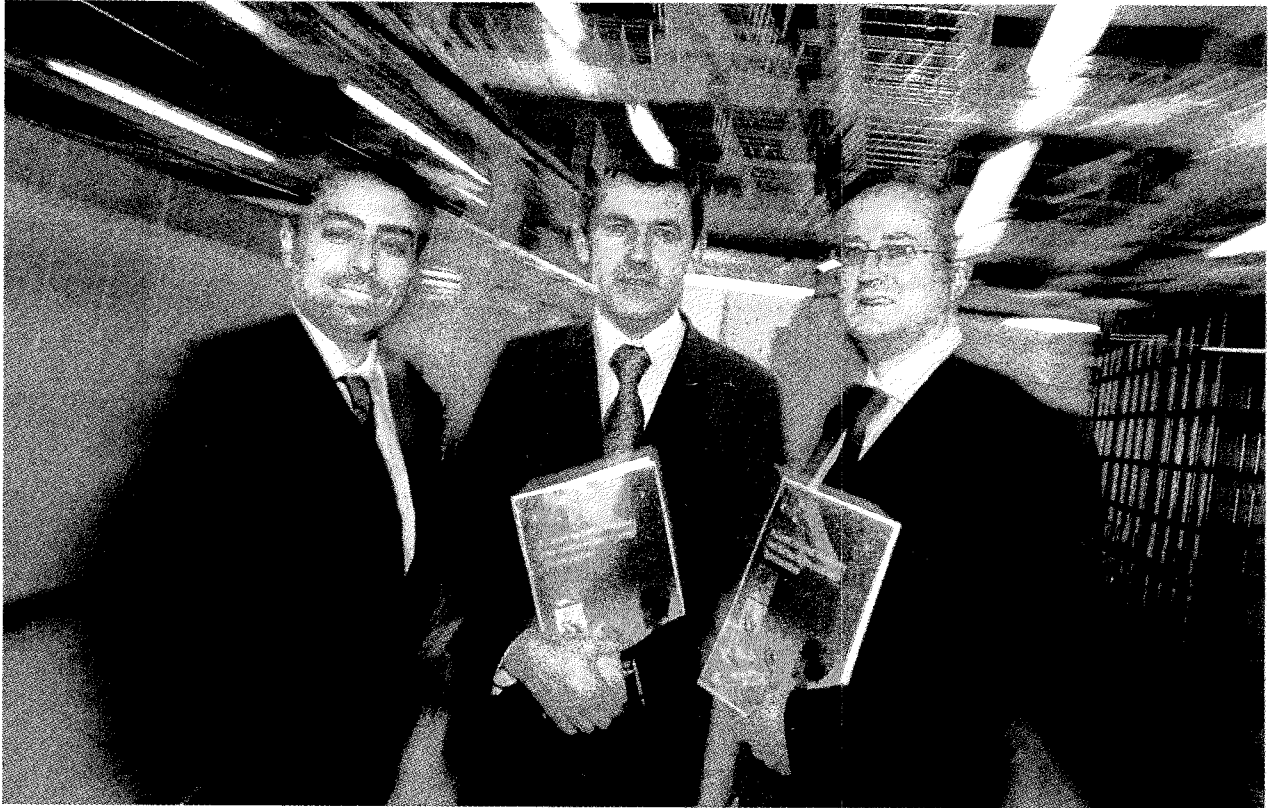
A spokesman for the company said that O2 is scheduled to go live with its HSDPA offering in February with 55pc coverage at that point. "The 3G data cards we are currently selling will be HSDPA enabled once the network goes live," he said.

Having failed to reach the

100pc penetration of broadband that is currently being enjoyed in Northern Ireland, could fixed-line broadband providers in the Republic find themselves eclipsed by their mobile counterparts in 2007?

McCabe believes the battle lines won't be so stark. "There is an emerging trend for operators to use both technologies to maximise their reach."

## **JOHN KENNEDY**



Peter Scott, executive, TIF; Tommy McCabe, director, TIF; and Gary Keogh, chairman of the TIF Fixed Wireless and Satellite Industry Group