

Demand for broadband is changing the world

Picture: Ericsson



How it was: now 10-year-olds don't understand when computers are not connected.

Sometimes it takes just a simple story to show how far the industry has come in just a short time. Johan Bergendahl, chief marketing officer of Ericsson, has just such a story.

"I was sailing with my daughter, and she's 10," says Bergendahl. Like many Swedes, sailing is an important part of his life. "She asked to borrow my laptop so that she could contact her friends."

Bergendahl told the little girl that he doubted she'd get a connection so far from land. "What do you mean, connection?" was her answer to her father.

A few years ago there were computers, and then there were computers that were connected to the internet. Now, it seems, 10-year-olds in Sweden don't even understand the concept of a computer that is not part of the internet.

"It's already changed our behaviour," says Bergendahl, and it is governing our expectations for the future. "No one will accept that connection is a limitation. If you can connect by phone, why not by laptop?" People will not accept limitations from a geographical point of view, he adds.

Daily life

It's all a big change from the days, not long ago, when telecoms came through a cable in the wall, he says. Broadband is now a part of daily life.

"We are completely changing the world," he adds. "Broadband is driving social and economic development. It is improving the environment for society and for economic growth."

Technology that began by entertaining people, he notes, is now providing an essential platform for business.

Much of the pressure for development in the future will come from TV applications, he says. "TV is

becoming the driver, as it moves from analogue to digital and then to HDTV," he says. It's happening in the US and is starting to happen in Europe, he says.

Investment will be needed in downstream and upstream capacity, says Bergendahl, as people make use of interactivity. "TV is going to be an interesting driver," he says. "This is one of a number of driving forces for upgrading wireline."

Consumer challenge

But following that "the challenge will be for me as a consumer", says Bergendahl, who started out as a mechanical engineer and has been with Ericsson since 1989.

Why? Because a customer won't want the complexity of working out how to connect to their different services — such as TV — from different terminals, he says, via a variety of wireless and wireline networks.

"As a consumer I shouldn't need to worry about that. The device should find the best way."

There should be choices, he says, but not over networks and connections. Customers should be asked to decide between cost and quality, for example. They should say whether a service is private or for business. They will make different choices according to whether they're rich or poor.

And they will decide whether to watch something, for example, on a small mobile screen or a large HD screen. But that's as far as it should go. The rest "should be completely transparent and independent," says Bergendahl.

The promise is "that we will take away the barriers to entry", he adds. For example, we will enter a world where "practically anyone can produce a movie and make it available".

The technology will be available around the world, so that "we and others are driving the economies of scale so that we don't have to build separate networks for different applications", he says.

Medical video

Ericsson has run trials using HSPA high-speed wireless data in Indian hospitals, so that patients can talk to doctors over video connections. "The opex needs to come down, mainly because people can spend only a few dollars a month, but this is going to be an important driver," says Bergendahl.

There are educational applications, he adds: "We have trials with classes of 30-40 students, so people can be educated. There are lots of things that can be done remotely — and people are getting more used to accessing things remotely."

Broadband is simply going to be a regular part of daily life worldwide, he says — and recognising that is an important factor in Ericsson's own planning for the market. ■