

# The Ericsson Perspective

## – Moving Forward with LTE

### Can we say now that LTE is going to the global standard?

Yes, I think we can definitely say so. We saw this trend already last year in Barcelona. Now that another year has passed, we have not only seen a number of announcements from various players, but Ericsson has also been awarded contracts from very important operators such as Verizon Wireless in North America, TeliaSonera in Europe, and we're working very closely with NTT DoCoMo in the Asia-Pacific region. I think we have seen that all the different tracks lead to LTE.

The CDMA players have realized that there are limited options for evolving on the CDMA technology track, as UMB development has been discontinued and no Rev C is currently in the plan. They can no longer afford to keep to just this 'narrow' track going forward, as at the end of the day, you as an operator have to pay the R&D investments in that track. Therefore operators like Verizon Wireless have decided to join the much larger mainstream 3GPP track and go for LTE.

In China, with China Mobile going forward with the TD-SCDMA standard, there is a strong drive to move to TD-LTE, the time division mode of LTE, which then becomes a natural evolution track for TD-SCDMA in China. And then you have the HSPA players like TeliaSonera and others saying that they are also moving forward with LTE as the next technology step. So we see that the HSPA, TD-SCDMA and CDMA tracks are all leading to LTE. And even some of the WiMAX operators are saying that they will build their network in such a way that it will later be possible to upgrade to LTE, so perhaps WiMAX will become the fourth track leading into LTE.

So yes, definitely, LTE is the next big standard. And for the first time, we have one global standard.

### How big has the development been? If you compare a year ago in Barcelona, how much has happened in the LTE track?

When you walk around here in Barcelona, one sees more LTE signage; we hear more talk about LTE, and you see much less WiMAX presence. Of course there is still a lot of HSPA which is good, because HSPA is really the dominating standard today. We have 300 million subscribers using HSPA and WCDMA; HSPA is fantastic as it is mobile broadband that is 'here and now'. I believe that HSPA is 'hotter than ever' and also keeps evolving into higher speed and capacity. Then as the next step forward in the technology evolution path, we have LTE.

### Is the economic downturn in general a threat to LTE?

Entering a period where things are a bit uncertain is always difficult, but in Barcelona I participated in a TV panel where



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China Mobile stated that they are determined to roll-out LTE in 2010. In the States, Verizon Wireless has committed to rolling out LTE and in Sweden TeliaSonera has clearly stated that they want to be the 'first mover' for LTE. I believe there is a very strong industry commitment behind the technology and with the continued momentum behind mobile broadband (HSPA), the evolutionary path to next generation of mobile networks is secured.

Operators will not stop investing in HSPA just because LTE will be deployed. If you're sitting there, thinking "shall I build some more mobile broadband or shall I build a new fiber optical network?", maybe it's the fiber optical network that gets delayed one year or so, while you continue investing in your mobile broadband. Operators cannot afford to let competition snatch their customers away and so need to stay pro-active in their development.

We see as we go forward, 2014, there will be about 3 billion broadband subscribers, and 80 percent of those will be mobile based. So there are 2.4 billion mobile broadband subscribers to capture in the next four years. You cannot sit and wait with your investments on the mobile side. You need to act now!