



Public Wireless LANs: Challenges, Opportunities and Strategies

Rysavy Research is the principal author of this report, published by Datacomm Research July 9, 2001.

Press Release:

Public Wireless LANs Absolutely Essential to 3G Services

Lack of Coverage, Subscribers Put Independent Public WLAN Operators at Risk

July 9, 2001 - Chesterfield, Missouri - Public wireless LANs will deliver next generation wireless services to mobile users in airports, convention centers, hotels, and other indoor locations, but the road to success for fledgling operators is littered with obstacles. That is one of the conclusions of the new 66-page report, *Public Wireless LANs: Challenges, Opportunities & Strategies*, released today by Datacomm Research Company.

"Our research indicates that public wireless LANs are the superior solution for providing next generation wireless services to indoor and campus hot spots," said Peter Rysavy, wireless data consultant and principal author of the report. "Public wireless LANs can handle large volumes of data at significantly lower costs, offer a migration path to speeds of 100 megabits per second and higher, and deliver additional capacity with pinpoint accuracy compared to leading 3G technologies," he concluded.

"This report explains why 3G wireless network operators need public wireless LANs to serve the most demanding users in the most demanding locations," said Ira Brodsky, President of Datacomm Research. "It also explains why funding, coverage, and roaming are huge challenges confronting independent public wireless LAN operators," he added.

Public Wireless LANs: Challenges, Opportunities & Strategies includes sections prioritizing the opportunities for public wireless LANs, analyzing the major technology options (including IEEE 802.11b, Bluetooth, IEEE 802.11a, and HiperLAN/2), and describing the key technical challenges. The report includes a model for calculating the cost of providing a megabyte of data based on different public wireless LAN air interfaces and utilization assumptions. There are also brief profiles of more than 30 operators, manufacturers, and third-party service providers.

Rysavy Research provides clients details and insight into wireless networking, assisting them in defining strategic directions, conducting market research, and deploying wireless applications. More information is available from the firm's Web site at www.rysavy.com.

Datacomm Research Company is a leader in tracking, analyzing, and forecasting emerging telecommunication markets. Other Datacomm reports include Bluetooth In-depth, Wireless Streaming Media, Voice of the Internet, Global CDMA Business Opportunities, and Satellites in Cyberspace.

Additional conclusions found in Public Wireless LANs: Challenges, Opportunities & Strategies:

1. Wireless LANs (WLANs) are taking off. Public WLANs complement private deployments in businesses, government, schools, and homes.
2. Public WLAN operators must join forces with 3G mobile phone carriers to achieve necessary coverage and service bundling. Likewise, third generation mobile phone operators need public WLANs to offload heavy indoor traffic from their lower speed, wide area networks.
3. Unlike private WLANs, public WLANs require subscription control, roaming agreements, and centralized network management. Roaming is crucial to maximizing coverage. However, the largest public WLAN operators fear roaming agreements will benefit smaller competitors most.
4. There are significant e-commerce opportunities for public WLAN operators, particularly those offering location-dependent, targeted promotions. While the mobile phone industry struggles to implement location technology, the location of a public WLAN user is readily available.
5. Wi-Fi and Bluetooth offer complementary access services, but Wi-Fi is significantly more mature. Bluetooth can provide access in secondary locations, integrated with pay phones, point of sale terminals, and ATMs. IEEE 802.11a offers a migration path to speeds of 54 Mb/s and higher.
6. Public wireless LANs could play a major role in the distribution of multimedia content. Users at airports and on airplanes represent captive audiences for advanced business and entertainment services.

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