

Submission from Mr Ka Kai Eddie Chan

Government said to issue new 3G license with technology of CDMA2000, by not to renew Hutchison's CDMA license.

I am questing why government choose a technology only using in S Korea and US (where is low-tech in mobile communication, to compare with EU).

3G standard, apart from WCDMA and CDMA2000, also included TD-SCDMA, which is developed by PRC, why OFTA never mention about that?

TD-SCDMA is made in CHINA, but many international mobile tech companies already rush to china helping develop this standard, the future should be as bright as the others, especially with the market of 1.3 billion. If you can search TD-SCDMA from any search engine, you can find a large amount of news after this standard, not a few of them about, those multinationals companies invest hugely and develop this standard. We can say it is a the latest 3G technology compare with WCDMA and CDMA2000, according to information in internet, quanlity of TD-SCDMA can only better than the others.

HK is close to China, therefore a 3G network which works both in HK and Mainland is must for HK people who always go back to mainland for working. And this technology can be better use for Chinese, as handsets are likely to design for Chinese, no matter handsets are produced by Chinese or international companies.

Referring to hutchison said it is unfair to withdrawal CDMA

TD-SCDMA is still a developing technology, which should not launch in next several years (means China will not have 3G in next several years), that already give current 3G companies more than enough time to capture certain share of market, which could maintain their profit.

We can expect some 2G networks usage will be as long as Hutchison's CDMA network few years after all four 3G network launched, by market force (in terms of Hutchison), these 2G margin companies will be crowded out. What Hutchison stated that too many mobile companies in HK could not standard. By the way, all current 2G companies are making profit, which means more competition introduced by issuing a new license.

And all 3G licensees are 2G holders too. Which they have experience on mobile communication, allow them to launch a 3G network in a short time (from testing to marketing). In addition, what they are doing is to build 3G network in business area, and using their old GSM network in rest of HK, that is not a situation. 3G technology became an add-on technology, like GPRS and EDGE. The real potential of 3G can not be fully used. With a new company without GSM network, it has no choice, but to build a new network that cover HK. That also boots other 4 3G companies to work harder on network construction.

If government issue a TD-SCDMA license, a new company begin to test in next year, a few more years is necessary to this new 3G network to be launched, that also give a large time buffer for the rest of 4 3G network.

Currently, no market in this world has a combination of WCDMA and TD-SCDMA, although WCDMA is likely to dominate globe communication. HK as a special position, gateway between China and rest of world, should adopt both technology standard.

If OFTA renew a low usage hutchison's CDMA license, therefore HK's mobile communication resources is under using, which is a huge social lost to public. CDMA network seem to be impossible to grow again, company is not likely to invest more on that, and they will never recover their investment by this low usage technology. Hutchison said to keep their network, their aim is to maintain their monopoly power in mobile industry, not aim to make profit from it. CDMA can not contribute to Hutchison

and HK.

I could suggest, if a company able to compensate what Hutchison's (so called) lost as a part of condition to award the new 3G license, (of course depends on how much compensate, possible plus an amount of license fee, less than current 3G license), OFTA should go on to withdraw the CDMA and issue another 3G TD-SCDMA license, but not CDMA2000.

You may ask who will be interested, possibly a PRC mobile company. Those companies who are developing and working with TD-SCDMA are likely take license, as they are the original developer, they are give the best network building, also cost of building could be lower by original developer.

Thanks for reading this email

Ed