

Lucent Technologies (China) Co. Ltd
Responses to “Licensing of Mobile Services on Expiry of Existing Licenses
For Second Generation Mobile Services –
Analysis of Comments Received, Preliminary Conclusions and Further
Consultation”

Lucent Technologies is very pleased to respond to the consultation paper issued on 19 March 2004 by OFTA on the above subject.

First of all, Lucent Technologies supports OFTA’s recommendations to improve the efficiency and usage of the 800 MHz spectrum. Being an international cosmopolitan city, Hong Kong needs to provide state-of-the-art telecommunications services to facilitate doing business and improve quality of living for both its citizens and visitors. CDMA2000 is one of the major international standards and has been adopted in many countries in Asia, including China and other parts of the world. Lucent Technologies supports OFTA’s recommendation to introduce CDMA2000 to Hong Kong which will stimulate the development of mobile data services and encourage the mobile industry to further promote business opportunities and market potential. As expressed by the OFTA report conclusions, high speed data associated services and applications will not only generate new revenue streams and increase average revenue per user for mobile operations, but also help create business opportunities for content providers for content providers and application developers.

Lucent suggests that, rather than stipulating a specific volume of network traffic be dedicated to mobile data usage (reference paragraph 90 of OFTA report), a simple means would be to stipulate that at least a single carrier be dedicated to high speed data. If the service provider is required to deploy one carrier of CDMA2000 1xEVDO across the network, they will be motivated to market high speed data applications. The service provider would then most likely deploy at least one carrier of voice and one carrier of data (EV-DO) initially and grow carriers as demand increases. An initial investment in a dedicated carrier for data (EV-DO) will cause the service provider to promote and develop the data market for their offer in Hong Kong. This will also allow them flexibility to offer voice services simultaneously through using other carriers for voice and lower speed data.

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