

## **Berg Insight says 49 million notebooks in Europe will have mobile broadband connectivity by 2013**

Gothenburg, Sweden - June 18 2008: According to a new research report from the analyst firm Berg Insight, the number of notebook PCs with HSPA/LTE mobile broadband connectivity in Europe will grow from 8.4 million in 2007 at a compound annual growth rate (CAGR) of 34.1 percent to 49 million in 2013. The development will be driven by consumer demand for ubiquitous Internet access. Rather than replacing fixed networks for Internet access, mobile broadband will first and foremost be a complementary access technology, providing a secondary Internet connection when outside of the home. As embedded HSPA/LTE chipsets gradually become a standard feature in notebook PCs designed for the European market over the coming three to five years, end-users will simply need to insert a SIM-card into their computer to get online at virtually any location.

Berg Insight believes mobile operators will face a formidable challenge in managing the explosion in network utilisation. Mobile data traffic, primarily generated by USB-sticks and PC-cards, already exceeds mobile voice traffic in terms of volumes on advanced markets. In Sweden for example, some half a million mobile broadband terminals are estimated to have generated twice as much network load as all 10 million handsets in the country combined. Consumers already account for 80 percent of the data volume in spite of only making up roughly 40 percent of the mobile broadband subscriber base.

“Every mobile broadband service provider has a dilemma”, said Tobias Ryberg, senior analyst, Berg Insight. “On the one hand they have a highly attractive proposition – a novel mobile service with high ARPU. On the other hand, the very popularity of the service stretches the mobile network infrastructure to its utmost limit – threatening to degrade the level of service for all subscribers.” The main response by operators has been to impose some restrictions on data traffic. Furthermore, the actual data speed is normally much lower than advertised due to lack of network capacity. Ryberg concludes that significant network investments are urgently needed if operators want to keep up with demand. “In a few years, Internet users will expect to be able to view full-HD streaming IPTV via their Internet connection. Then it will not do to offer 14.4 Mbps which is actually 1 Mbps or unlimited data traffic which is in reality limited to a few gigabyte per month,” he concluded.

### **About Berg Insight**

Berg Insight offers premier business intelligence to the telecom industry. We produce concise reports providing key facts and strategic insights about pivotal developments in our focus areas. Our vision is to be the most valuable source of intelligence for our customers.

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