

Open Mobile Newsletter August Edition

Dear all,

Welcome to the August edition of the Open Mobile Media newsletter.

In this edition:

- * Open Mobile Summit San Francisco, November 4-5: Meet the Speakers
- * Focus: What's the business case for Operators and Open Access?
 - Evolving role of carriers in the wireless economy
 - The conversation continues at - Open Mobile Summit 09 in SF – and Telco 2.0 in London
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- * Open Mobile Summit San Francisco, November 4-5: Meet the speakers

The line-up for our second annual flagship event in San Francisco is nearly complete. I have to say that it's even better than we could have hoped for - we have a tremendous group of individuals involved.

The full agenda will be launching next week, but in the meantime here's a sneak preview of the speaker-ship for our newsletter readers:

Operators

John Donovan, CTO, AT&T; Cole Brodman, Chief Technology and Innovation Officer, T-Mobile USA; Russ McGuire, VP Strategy, Sprint; Glenn Lurie, President Emerging Devices, AT&T; Peter Lurie, Co-founder and CFO, Virgin Mobile USA; Ryan Hughes, VP, Verizon; John Horn, National Director of M2M, T-Mobile; Rick Fant, Head of Internet Services, Vodafone; Hossein Moiin, Fellow Mobility, British Telecom

Device OEMs

Michael Abbott, SVP Palm; Aymar de Lencquesaing, SVP, Acer; Christopher David, VP, Sony Ericsson; Frank Meehan, CEO, INQ Mobile; Alex Jinsung Choi, Head of Mobile Planning, LG; Marco Argenti, VP Media, Nokia

Wireless Software

Kevin Lynch, CTO Adobe; Lee Williams, Executive Director, Symbian Foundation; Morgan Gillis, Executive Director, LiMo Foundation; Kiyoo Oishi, CEO Access Systems Americas; Martin Reber, CEO, SVOX; Jon Von Tetzchner, CEO, Opera; Antti Ohrling, Co-founder, Blyk

Internet and Applications

Vint Cerf, Chief Internet Evangelist, Google; John Faith, GM and VP Mobile, MySpace; Russell Baker, VP, Amazon; Ilja Laurs, Founder and CEO, Getjar. Dag Kittlaus, CEO, Siri; Hank Skorny, Exec. Advisor, Real Networks; Anil Dharni, CEO, Storm8; Rani Cohen, Chairman and CEO, TuneWiki; James Tagg; Chief Architect, Truphone; Philipp Hoschka, Deputy Director, w3c

Infrastructure and Silicon

Jan Uddenfeldt, SVP, Ericsson; David Perlmutter, EVP and GM Mobility, Intel

VC and Financial Analysts

Rich Wong, Partner, Accel Partners; Brian Modoff, Managing Director, Deutsche Bank; Rod Hall, Executive Director, Comms Tech Research JP Morgan

Research Analysts & Journalists

Christian Lindholm, Managing Partner, Fjord; Rod Hall, Exec. Director, Comms Tech Research, JP Morgan; Sue Marek, Editor-in-Chief, Fierce Markets; Chetan Sharma, President, Chetan Sharma Consulting; Scott Wallsten, VP for Research and Sr. Fellow, Technology Policy Institute; Kevin Fitchard, Senior Editor, Telephony

Agency and Brands

Gene Keenan, VP Mobile, Isobar; Larry Harris, CEO Ansible; Russell Buckley, Chairman, Mobile Marketing Association

Content and Media

Alice Kim, SVP, MTV; Ty Roberts, CTO, Gracenote; Jason Loia, COO, Digital Chocolate; Brandon Lucas, VP and GM Mobile, BET; Jill Braff, SVP, Glu Mobile Bernie Gershon, President, Gershon Media; Rob Gelick, VP Mobile, CBS; Tim Connolly, VP Mobile at Disney/ESPN/ABC

This is going to be a real powerhouse for industry networking, partnerships and business strategy formulation.

Are you planning to attend? Tickets are selling fast even though we're still in August, so don't leave it too late. Early bird pricing expires Sept 18. You can register here: <https://www.openmobilesummit.com/sf/register/step1.aspx>

* Focus: What's the Business Case for Operators and Open Access?

The open mobile revolution is driving a transformation in the role of the operator in the wireless ecosystem, and a fundamental rethinking of carrier business models.

This is a recurring topic at the Open Mobile Summit events, where we explore whether we have seen the end of the vertically integrated end-to-end operator, as well as the opportunities for operator re-invention as smart pipes, open APIs, application marketplaces and more.

Most importantly we bring the carriers to the table for the conversation, and look to help identify the profit opportunities that can finance the mobile broadband revolution, rather than simply bemoaning the state of affairs and entreating carriers to 'open up'.

Some of the most interesting work in this arena has been led by the folks at STL partners, with the Telco 2.0 initiative. Telco 2.0 is an ongoing research project that

looks to identify the business models that can help carriers profit in the new mobile economy. Simon Torrance, managing partner at STL partners, opened the 'operator' track at the Open Mobile Summit London in June with a presentation of the latest results of the initiative.

You can download the presentation, "How to make the business case for Operators and Open Access" here:

<http://www.openmobilesummit.com/lon/agenda.aspx> (Day 1, track A, 2pm)

We followed Simon's presentation with an open debate on the big picture issues facing operators, featuring Mike Short VP O2, Carl Taylor Director 3, Hossein Moiiin Fellow Mobility BT, Kaj Erik Relander of Accel Partners, Rod Hall of JP Morgan and Philipp Diebert of the Next Generation Mobile Network initiative.

The panel asked:

- Why should operators embrace open? What's the business model?
- Have we seen the end of the vertically integrated end-to-end operator?
- Where can operators uniquely add value - and how to leverage that
- Smart Pipe, White label or Open API provider?
- How to avoid cannibalizing voice
- How can operators monetize the mobile broadband explosion?
- How can operators monetize customer data, APIs and third party content / apps?

You can download a podcast audio recording from this panel here:

<http://www.openmobilesummit.com/lon/agenda.aspx> (Day 1, track A, 2.30pm)

We're putting together a similar panel for the Open Mobile Summit San Francisco - it'll be interesting to compare how approaches have changed a year on from our first North American event in 08, and from Europe to North America in 09.

Underneath the big picture 'positioning' issue, we're also breaking it down in separate sessions to explore:

- Who pays for mobile broadband? Carrier business models to deliver the mobile Internet
- Any device and open networks: Opportunities to connect billions of other devices
- Reinventing the operator deck: What's over the garden wall?

These sessions feature a range of leading thinkers from service providers such as AT&T, Verizon, T-Mobile, Clear, Virgin Mobile, Comcast, Sprint and more. I expect the CTO's of AT&T and T-Mobile will touch on some of these issues in their keynotes as well.

Participants in the discussions will leave with a clearer picture of how service providers can position for ongoing growth in the future open mobile economy, as well as having identified immediate and specific business opportunities that can be monetized today.

Meanwhile back in London, on exactly the same dates (Nov 4-5), our friends at Telco 2.0 will be asking similar questions for European market players at the 7th Annual Executive Brainstorm. If you're in the service provision business and can't make it to

the Open Mobile Summit San Francisco, you should consider attending. We look forward to sharing notes afterwards!

Open Mobile Summit, San Francisco, Nov 4-5:

<http://www.openmobilesummit.com>

Telco 2.0 Executive Brainstorm, London Nov 4-5:

<http://www.telco2.net/event/europe2009/index.php>

* Open Mobile Summit London - Soundbytes

A few choice soundbytes from the recent London event:

'This is probably one of, if not the most exciting event I've attended this year'- Hugo Barra, Google

'The App is a temporary road stop en route to the browser. That's what the consumer wants" - Barney Wragg

"The mobile industry will not exist in the future - we're in the ICT industry now" - Christopher Schaffer, T-Mobile

* Uploads: More free content available online!

We've uploaded more audio podcasts from the Open Mobile Summit London 09. Here are the latest additions:

- Hugo Barra, Global Head of Mobile Applications at Google - wowing the audience with live demos of browser-based Google apps and the promise of html 5 (Day One, track B, 5.30pm)

- Keynote Panel: Opening the Value Chain - top execs at T-Mobile, TeliaSonera, Opera and RIM discuss the future mobile value chain (Day One, 11am)

- Panel: Operators and Open Access (Day One, track A, 2.30)

- Christian Lindholm, Fjord - Mobile: The Next Mass Media (Day One, track B, 2pm)

- Panel: Mobile Advertising - with Google, Ogilvy, Admob, MMA, comscore, Agenda 21 and Flirtomatic (Day One, track b, 4.30)

- Keynote: Yves Maitre SVP Devices France Telecom - 'Opportunities for Open OS: Where do we go from here' (Day Two 10am)

- Panel: Future of the OS - with Symbian, LiMo, openmoko/Linux foundation and Rich Green (Day Two 11am)

- Panel: App Store Fad or Future - with Nokia, Vodafone, Taptu, Bango and Amdocs (Day Two, closing panel)

This is premium content and industry analysis, available free of charge. Spread the word - forward this newsletter to your industry contacts so they can benefit, now and in future!

You might also like to check out Analysys Mason's 'wrap' of the event at <http://www.analysismason.com/About-Us/News/Insight/Open-Mobile-Summit-opening-up-for-mobile-Internet-growth/>

Soapbox: Watch out, things are getting easier

Mary Poppins didn't tell the children she visited when she would leave. She just said she would go 'when the wind changes'.

Economic recovery will be the same. Despite steadily improving signs since May 09, no one dares call a recovery yet, in case they're wrong. At Open Mobile Media we quietly celebrated on May 12th when the first positive headline in over 9 months appeared on the Financial Times front page reading "Downturn 'bottomed out' (that edition's still hanging on the wall of our garden-shed office). Of course, the point of the article was not to say that things were getting better, just that they might have stopped getting worse.

But this cautious optimism was still be a welcome change from the consistent downbeat tone of the previous weeks and months of reporting.

So watch out. The winds of change are blowing, and one day the markets will begin to improve. And when that happens, the companies who have been sitting on their hands - waiting around for things to get better - are going to get BURNT.

And here's why: When the mobile markets recover, they're going to look very different to the pre-crash markets.

Signs of growth are already starting to appear. But they're not appearing in traditional areas - it's the new opportunities emerging from yesterday's disruption that are driving profits today. The open mobile revolution continues unabated - we must seek out new profit opportunities, new revenue streams, new markets in order to grow.

I've said it before - and all entrepreneurs know it - startups can't stop. In a downturn, they have to pedal faster and smarter to keep afloat. And it's also imperative they stay light-footed and leverage the ability to see where the markets are headed, and be there when they arrive.

Similarly, big companies who think they can just coast until the consultants tell them the economy is 'better', had better think again. Revenues are not just dropping off. They're being displaced. And springing up in new areas.

Look at Intel's second quarter results, announced at the end of July. The company saw a strong rebound and Atom, the low-cost netbook processor, was its main growth driver. These results "reflect improving conditions in the PC market segment

with our strongest first-to-second quarter growth since 1988 and a clear expectation for a seasonally stronger second half," said CEO Paul Ottelini.

According to Caroline Gabriel of Rethink Research, Anand Chandrasekher, GM of Intel's Ultra Mobility Group "told the Semicon West conference that whilst the outlook for the silicon trade remains tough, the future lies in new applications for electronics which will drive usage of chips." Chandrasekher argued that the greatest innovations emerge during downturns when 'money is tight and anxiety is high' referencing the cellphone's invention during the recession of the mid 1970s, and the iPod and Intel's own Centrino wireless platform in 2002.

Later the same week Nokia's outlook was more cautious, but came with a definitive statement that the market has 'bottomed out'. Olli-Pekka Kallasvuo, Nokia's CEO, is banking future growth on the company's 'transformation' to be a services player, targeting 300m users of its applications by 2013.

Apple provided a convincing dose of optimism with what it called the "best non-holiday quarter revenue and earnings" in history, beating the Street on revenue and profit, with the iPhone as one of the key drivers. iPhone sales during the quarter reached 5.2m - a massive 626% up on the same quarter last year - and the App Store, surely a key driver of that growth, was launched just last July.

From Qualcomm, "financial results reflect a record quarter for MSM chipset shipments, strong licensing and royalty revenues based on healthy end-market demand in the March quarter and a 5% year-over-year reduction in combined R&D and SG&A expenses," said the CEO statement from Paul Jacobs.

And it's new, open mobile markets that are driving growth in the operator world too. In Europe ever since mobile broadband propositions hit the market over 12 months ago with the USB dongle, operators have seen tremendous growth in mobile data usage. The same is likely to happen in North America as flat rate, open internet access comes to a phone near you. Now it's true that this capacity growth isn't delivering a similar growth in revenues or profits for operators, but unleashing the Internet on mobile devices is only the first step.

Next, operators need to hunt out the new revenue streams that can be associated with this new, mass market mobile broadband usage. Whether that's revenue from 'upstream' 3rd parties, application stores and enabling services for billing, advertising and other open APIs, leveraging their tremendous retail presence, from web advertising on their own sign-in page (as per 3 UK's recent experiment), or indeed the sheer volume that connecting devices 'beyond the phone' could deliver, remains to be seen. But there can be little doubt that this is where the future revenue growth will come from.

So, heads up everyone, for a new wind in mobile communications. And watch out. The wind can change direction fast, and if you pull a gloomy face, you might just get stuck like that!

That's it for this month. The much-anticipated agenda for our next San Francisco event will go live next week, so watch this space:

<http://www.openmobils Summit.com>

And don't forget to register before Sept 18 if you're planning to attend.

Robin Batt
Executive Producer
The Open Mobile Summit 09
<http://www.openmobilesummit.com/>
San Francisco, November 4-5

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