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Title: The numbers add up with GSM and W-CDMA

Agenda item: 11

Document for:

Decision	
Discussion	
Information	X

The attached Press Release has been provided by GSA for information of 3GPP PCG members.

PRESS RELEASE



The Numbers Add Up with GSM and WCDMA

October 1, 2004: The numbers 1000, 500, 250, 100, 50, 40, 30, 20, 10, 1 are not on this occasion taken from a countdown, but mark different important milestones in millions of subscribers that were reached with GSM and WCDMA during Q2 2004 and shortly afterwards. Together they confirm how GSM momentum continues to grow as the leading mobile technology globally, regionally and in the key growth countries.

GSM crossed the 1000 million or One Billion subscriber landmark earlier this year. The next 100 million was achieved in only a few months, with an amazing 20 million subscriber monthly growth rate in June alone. The cumulative number of GSM users reached 1110 million (1.11 billion) subscribers globally by end June 2004.

The total number of GSM subscribers exceeded 500 million in Western and Eastern Europe by end June 04, with the region contributing 17.1 million new subscribers to the Q2 total. Russia exceeded the 50 million GSM subscribers landmark and contributed with 6.8m new GSM subscribers during Q2. GSM and WCDMA accounted for 99% of new subscribers in Europe.

Open, globally standardized and adopted service standards with GSM ensure the highest terminal versatility, consumer adoption, and usage levels. There are today over 700 different terminals from over 50 manufacturers, with approximately 100+ models supporting MMS. Interoperability deriving from open standards also ensures a richness and diversity of applications, and automatic international roaming globally – a unique feature of GSM driving voice and data revenues, and an important pre-requisite for the take-up of data/3G services.

Focusing on Asia, GSM passed the 250 million subscribers landmark in China during late Q1 2004 and reached 264m by end of June. In another fast growing market, India, the GSM customer base passed 30 million with GSM accounting for 79% of subscriber growth during the first half of 2004, when compared to year-end 2003. With penetration growing rapidly in the major cities, it is clear that the benefits of 3G will be needed very soon for low cost voice capacity and data services. GSA is urging the regulatory authorities in India to act by allocating internationally agreed 3G/IMT-2000 spectrum now to enable the introduction of 3G/WCDMA services as quickly as possible.

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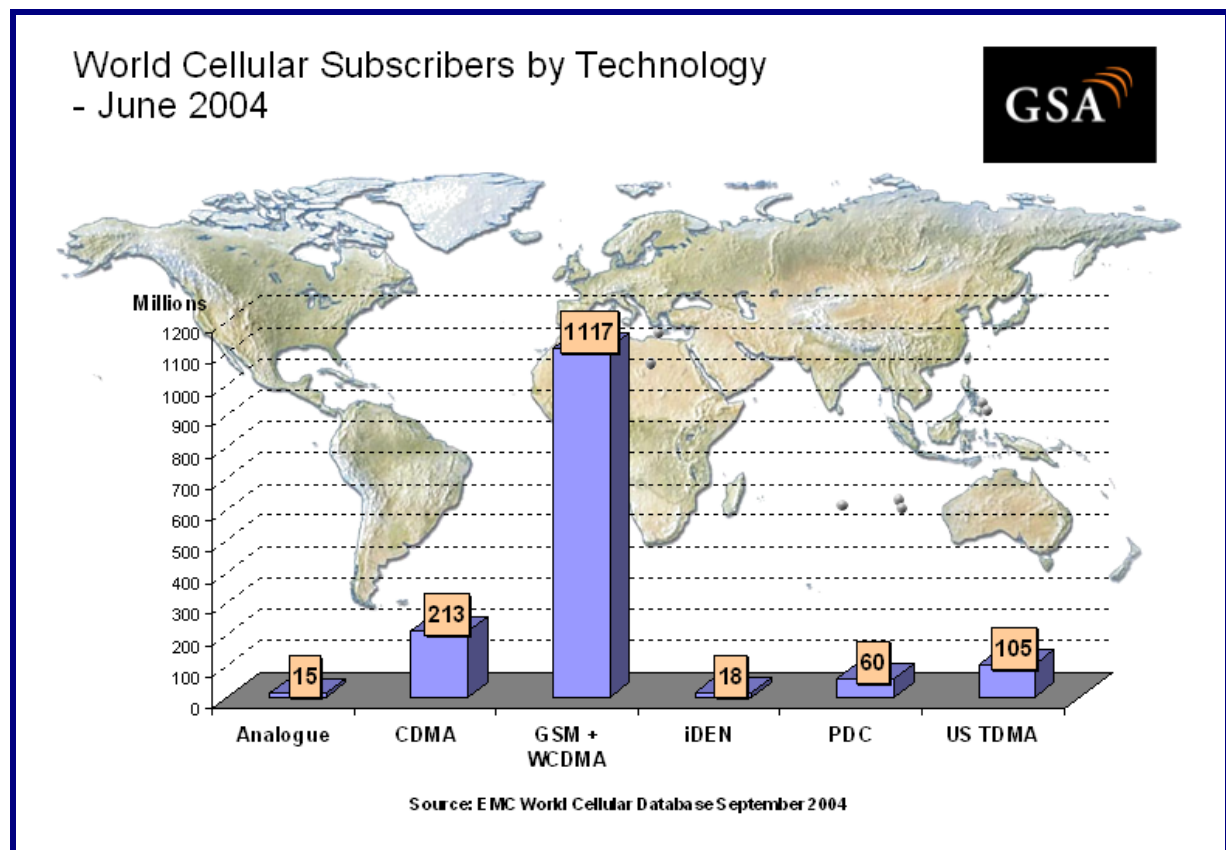
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GSM subscribers exceeded 40 million in North America (USA & Canada) during June. The total was 40.3m, of which 37.0 m subscribers were located in the USA. GSM also had the highest share of net subscriber additions in the USA during 2Q 2004, 54% over all technologies. GSM is also growing strongly in Latin and Central America (36.0m by end of June), and according to latest estimates has now passed the 40 million subscribers landmark. Brazil passed through the 10 million GSM subscribers figure in May, moving up to 11.7m by end June. The recent introduction of GPRS/EDGE-enabled services in several Latin American markets is already delivering important revenue growth and competitive differentiation.



The accepted path for GSM operators to 3G with WCDMA is now in full deployment with 50 commercial networks globally serving over 10 million users, with accelerating growth in Europe and Asia. There are already 75 WCDMA devices are in the market, and this figure is expected to grow strongly in the near future. Globally another important milestone for the

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family of GSM technologies to note is the growth of WCDMA subscribers, which was over 1 million in one month for the first time, in June (1.18 million). There are 125 operators which have a WCDMA license and announced plans to build networks, which ensures that rapid WCDMA technology adoption will occur in the near future

It is widely expected that all WCDMA operators will implement HSDPA, to enable data rates up to 10.7 Mbps, beginning in 2005. The upgrade path from WCDMA to HSDPA is easy, as the base stations only require a software upgrade. The result is that today's scale economies of GSM will be available in WCDMA/HSDPA

Source of subscriber information:
EMC World Cellular Database - September 2004
www.emc-database.com

About GSA

GSA - the **G**lobal mobile **S**uppliers **A**ssociation - is the forum for, and represents, the leading GSM/3G suppliers worldwide, and represents over 80% of GSM/3G market share globally. The GSA Executive Committee comprises of the leading GSM/EDGE/WCDMA suppliers - Alcatel, Ericsson, Lucent Technologies, Nokia and Siemens.

GSA plays a significant and expanding role in promoting GSM/EDGE/WCDMA worldwide for the best user experience of mobile voice and advanced mobile data services. Adding value through focused global and regional programs, GSA's reports, research papers, events, seminars and discussion form a contribution to the continuing success of the wireless industry. Current focus areas include the Global Mobile Dialogue™ for information exchange, market updates, industry news and newsletters, organising operator - vendor summits as a unique opportunity for high-level interaction between GSM/EDGE/WCDMA network operators, administrations/regulators, and GSA Members, and briefings for the media and analysts in all regions.

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