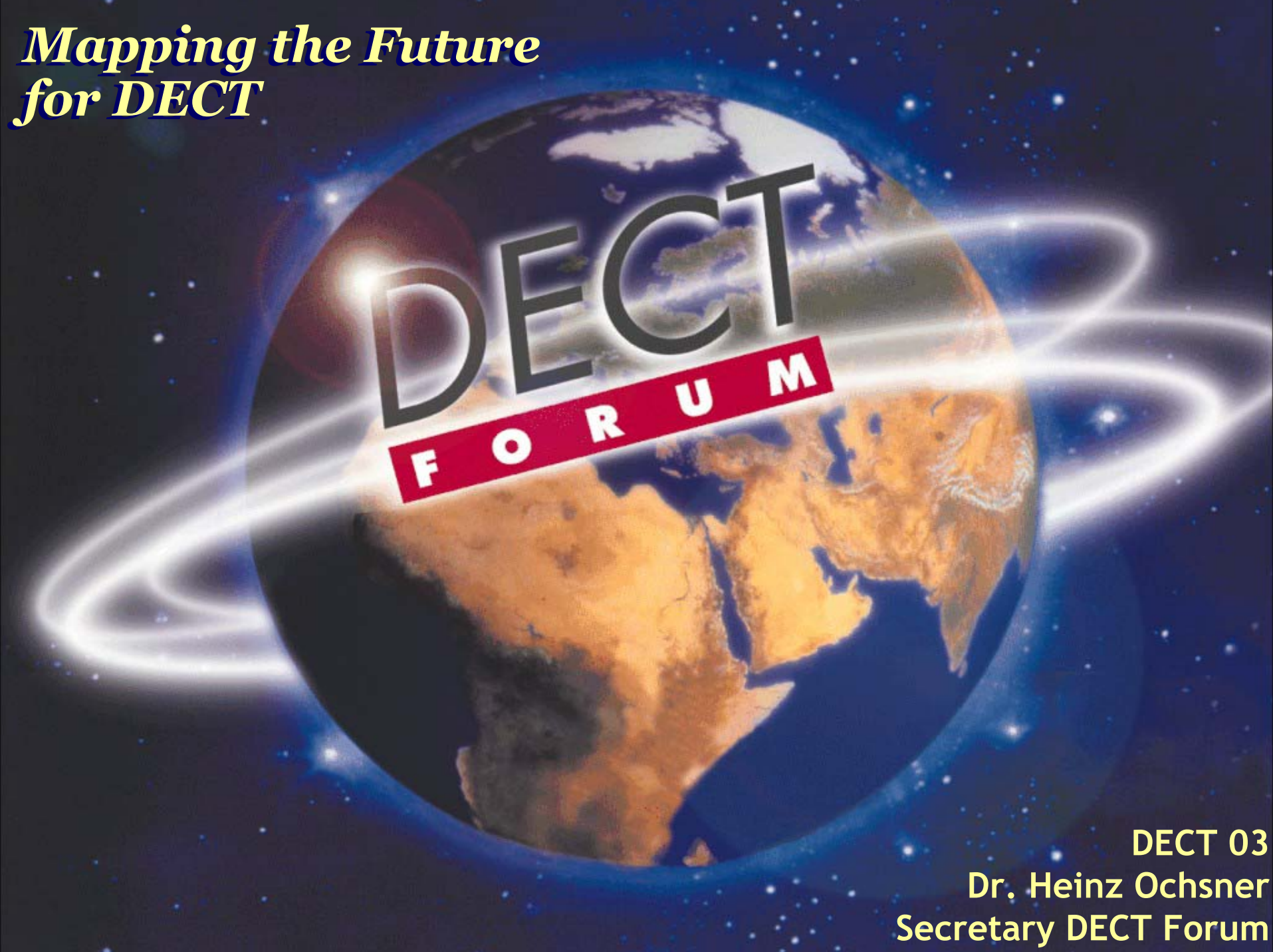
Mapping the Future for DECT



DECT 03
Dr. Heinz Ochsner
Secretary DECT Forum

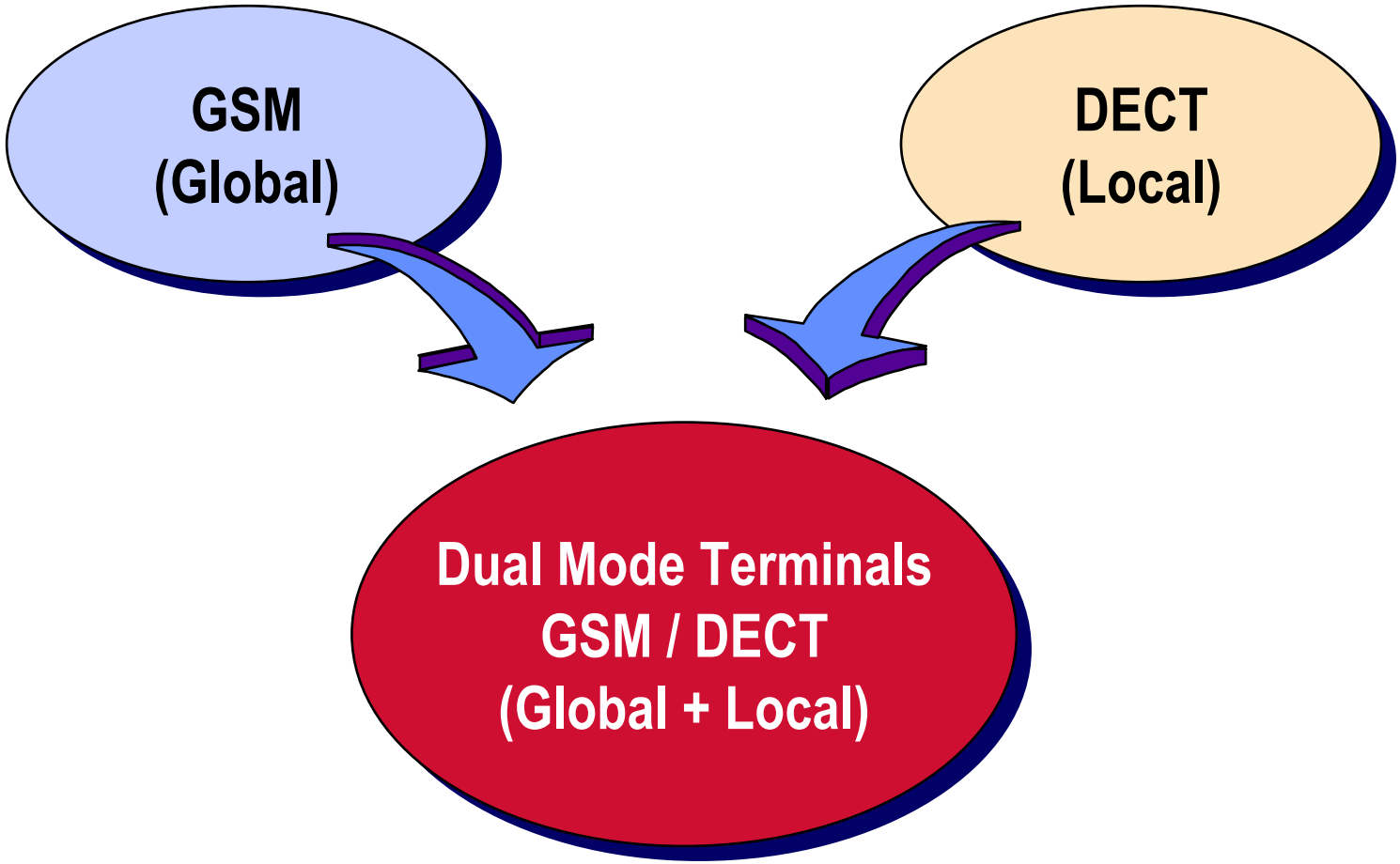
Agenda

- What did we learn today ?
- A look into the past: What ever happened to DECT/GSM dual-mode ?
- Market forecast reviewed
- What is the driver of the future market ?

What did we learn today ?

- “Baby boom” is over, but DECT sales continue to grow steadily
- Messaging could be the real driver of GSM / DECT integration
- M2M and other industrial applications keep being a growing niche
- Components continue to become more powerful, more integrated and cheaper: DECT is cheaper than bluetooth
- The DECT standards continue to evolve into multi megabyte capability with high-performance FEC
- DECT is strengthening its position as a IMT-2000 family member

DECT/GSM - Dual Mode



Why did DECT/GSM dual-mode fail ?

- It did not add any additional value for the user (all you could do was still only phone calls)
- The prime driver was saving money on tariffs
- It was not in the interest of one category of market players: the cellcos

- ***Make sure that the new technology adds real value and responds to a real need. Cost is less of an issue than we believe: the most successful data service in average costs € 0.01 per transmitted bit***
- ***Don't set up a new infrastructure to compete purely on "minute rates". A cellco's / telco's cost for an additonal minute of service is close to zero***

Learn from past experience ...

... to prevent failures like

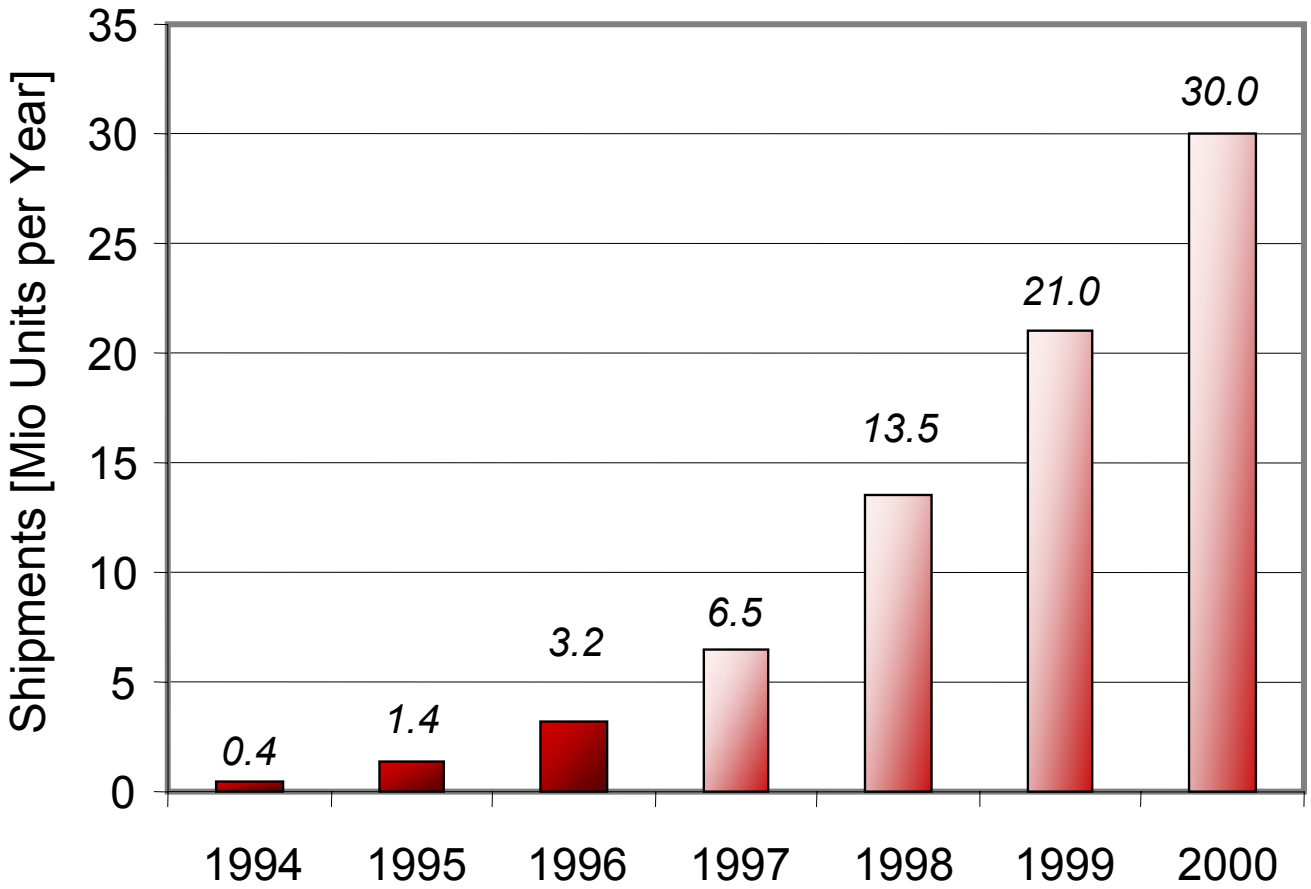
- DECT Telepoint
- DECT / GSM dual-mode
- WLL (all technologies)
- PLC

- others may follow

The role of market forecasts

- Market forecasts are always issued to convey a message and not to tell the truth
- How does it work ?
  - Take an arbitrary source of market forecast and modify it slightly (upwards, obviously) and publish it
  - The original source will take it, believe that this is the truth (because it is from a market participant), and modify it slightly (upwards, of course) and republish

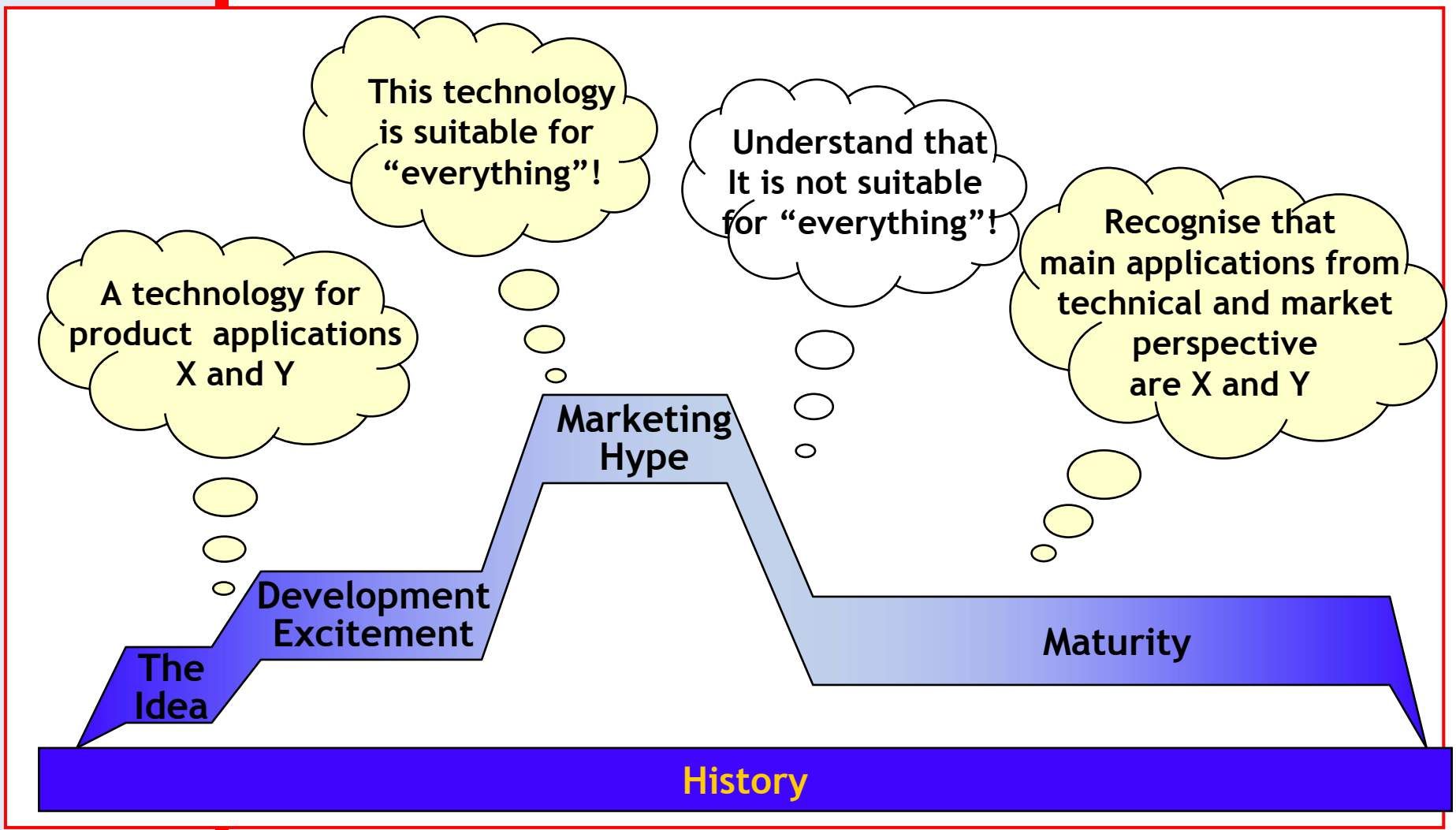
DECT shipments (published by DECT Forum 1997)



Actual Market Data

- Earlier published data from the DECT Forum refers to the number of sold radios, i.e. a projected 30 mio radios for the year 2000 was forecast in 1997
- Today, the DECT Forum data refers to sold handsets
- The number of sold handsets
  - was 18.8 mio in 2000
  - was 27.7 mio in 2002
  - will grow between 13 % and 14 % per year

Pealing off the "marketing hype" from the technologies and apply a "matured" view



Drivers of the market

- DECT was – and will be – a voice centric technology, although DECT data was included in the concept from the very beginning
- DECT data will primarily complement the voice functionality of a DECT system
- New developments (UWB, 802.11g, WPAN, ZigBee, NFC, etc) aim at short-range with higher throughput
- DECT will find applications in the professional M2M and telematics area – thanks to Bluetooth
- In the short term, messaging (F-SMS, F-MMS) will be the driver for new DECT telephones (currently the monthly increase of the number of F-SMS per is around 1 million)

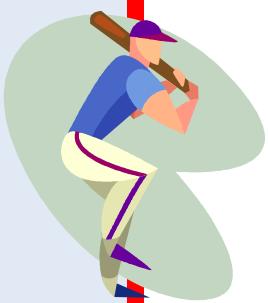
the road to F-SMS or F-MMS is called DECT

Messaging

- The DECT Forum aims at promoting DECT based fixed line messaging
- Encourage the whole industry to make SMS / MMS capable terminals
- Encourage fixed line operators world-wide to deploy fixed line messaging
- Promote common protocols
- Cooperate with mobile industry to extend messaging to fixed line

DECT inhibitors

- Main advantages of DECT today are
  - DECT is an established and still maintained standard and selling in volumes
  - DECT has a good range in a frequency band of its own
  - DECT has an excellent range of features
  - DECT is a IMT-2000 technology
- Whatever threatens these advantages is an inhibitor to the ongoing DECT rollout
- The activities of the DECT Forum aim at keeping these advantages
  - Encourage the industry to continue making DECT
  - Encourage the industry to make products for new promising applications
  - Make users (and industry) aware of the features
  - Defend the unlicensed DECT spectrum world-wide



See you again next year

Ready
DECT
GO !

Thank you for your attention and for coming