



**Islander November 2013**

## **Technology Update**

### **“I want the entire internet on my wrist”**

This was what Apple co-founder Steve Wozniak told Wired magazine in a recent interview. Do you think Steve Wozniak was confused with “wearing his heart on his sleeve” by expressing his emotions so clearly, or did he just want a massive tattoo?

What Wozniak was referring to could be one of the next big wearable device form factors - the “Smartwatch”. However the jury seems to be out on whether this will be “the next big one”.

We’ve been there before. Bill Gates launched Microsoft's Smart Personal Object Technology (SPOT) Smartwatch back in 2004. Arguably ahead of its time, SPOT lasted four years before being axed. Not to mention the countless other gadgets that promised great things, but ultimately ended up gathering dust in the bottom drawer.

Time and technology has moved on. Consumer appetite for all things tech has never been greater. Connectivity is making a real difference. The advancements in technology and connectivity are finally starting to match expectations, with superfast 4G networks delivering speeds often greater than home broadband.

So the time might just be right for the connected accessory, and current consumer tech demand may make it sustainable.

As mentioned in my column recently, Samsung unveiled the Galaxy Gear Smartwatch at the beginning of September. At the same time chip-manufacturer Qualcomm launched its Toq Smartwatch. Neither of these are standalone Smartphones in a watch form factor. Both connect using a Smartphone on the person.

What I think is really interesting is that companies like Thalmic Labs are creating exceedingly interesting devices that use electrical impulses and muscle movements to allow you to control the connected devices around you without having to touch them – be that your mobile, tablet, PC, or TV.

Clearly, the success or otherwise of the watch form factor will be cracking the killer code that makes it the must-have indispensable device, and the functionality will only come through connectivity.

As designs evolve, we should see the emergence of Smartwatches and other wearable technology with more standalone computing and in-built connectivity, as well as integration with a range of Smartphone and tablet devices.

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As consumers, we also expect to be able to switch our digital life seamlessly between devices. That means wearable technology such as the Smartwatch or Smartglasses.

### **T-Mobile US boss scraps “crazy” data roaming**

John Legere the outspoken boss of T-Mobile US, is single handedly ruffling more feathers in the mobile industry by scrapping what he says are insanely high charges for international connectivity.

Speaking at a concert event in New York, he said the cost of staying connected across borders was “completely crazy”. “Today’s phones are designed to work around the world, but we’re forced to pay insanely inflated international connectivity fees to actually use them,” he went on. “You can’t leave the country without coming home to bill shock.”

According to T-Mobile US figures, Americans take about 55 million trips abroad every year. But when they use their phones abroad the way they normally do at home, they typically get slammed with bills of \$1,000 a day or more.

Starting from 31 October, T-Mobile US customers, including our own e3 T-Mobile customers, that are signed up to their base plan automatically get unlimited data and texting in more than 100 countries worldwide. Moreover, those with voice services will only pay a global flat rate of \$0.20 per minute for voice calls when roaming in those same countries.

### **Creation of European telecoms without barriers – good or bad?**

EU digital commissioner Neelie Kroes said that her motivation in bringing down the barriers in the European telecoms market, by eliminating roaming, is to boost the European economy: one per cent GDP that could be gained from “a true telecoms single market”. She said at the FT-ETNO conference, “I want to stimulate new mobile innovations”.

There’s an argument, though, that the EU chief’s roaming proposals will slow down investment in the region’s mobile networks – the very thing Kroes wants to avoid.

What’s to stop a German buying a cheap SIM card in Lithuania then bringing it back to Germany to call, text or surf at the cheaper Lithuanian rate?

This poses a problem. The cost to deliver a minute of voice, a text message, or a megabyte of data can vary significantly from country to country. So, with the “roam like home” plan, the underlying cost structure – taxes, mobile termination rates, fixed and operating costs – can be “completely divorced” from end-user mobile prices.

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It's bad news for network operators that have had to buy licenses, deploy infrastructure and manage networks. They are likely to have higher costs than the likes of small Lithuanian mobile virtual network operator.

The whittling down of prices means margins in some markets will be squeezed and network investment threatened. Consumers will be happy, Kroes will be happy, but this is clearly not a good unified, innovative, developing and expanding telecoms market.

### **Facebook to charge \$2.5 million a day for video ads!**

Did you know that Facebook revealed in August that it will sell 15-second-long television-style ads for as much as \$2.5 million a day!

Facebook users will not see an ad more than three times in a given day and depending on how large the audience that the advertiser plans to reach, the ads will range from \$1 million to \$2.5 million a day.

Last October, Facebook COO Sheryl Sandberg told investors during an earnings call that advertising on the social networking giant is superior to that seen on TV. Whilst huge events like the Super Bowl can attract up to 108.4 million viewers (in 2013), Facebook has the attention of 1.15 billion users. "And it happens every day", Sandberg said.

I wonder if they can get away with it? Apple attempted to charge \$1 million for an ad but was forced to drop the price as a result of client outrage.

### **iOS 7 upgrade on an iPhone 4 – don't do it!**

Just when I had forgotten about having to invest in a more powerful PC with every new Windows release, a little indicator pops up on my iPhone to tell me to upgrade to iOS 7. I kept looking at this irritating little red flag on the Settings icon, until I couldn't help myself and upgraded to iOS 7. I did have a fully functional old iPhone 4 - I am now being "forced" to upgrade to a new iPhone 5S, as what was functioning perfectly well is now so slow and irritating as to be practically useless. My advice is "don't do it", but others may disagree!

Roger Horner of e3 Systems

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