

Fiber Installations and Customers Grow Worldwide

Asia/Pacific Leads the Charge to Fiber

The Asia/Pacific region stands in the forefront of the FTTx revolution worldwide, according to a new report from industry analyst In-Stat (www.instat.com). By the end of 2006, there were more than 10 million fiber subscribers in Japan and South Korea alone, where carriers such as Korea Telecom and NTT have committed to investing heavily to change copper infrastructures to fiber by 2010. The China and India markets continued to grow impressively,

accounting for the bulk of new subscribers. Overall, FTTx represented 9.5 percent of the total Asia/Pacific broadband subscriber base in 2006.

The total number of Asia/Pacific broadband subscribers reached 109.0 million in the region's 13 major markets, up about 26 percent from 2005. In-Stat expects the total market to reach 231.3 million subscribers by 2011, with the fastest growth in the "broadband laggard markets."

This growth reflects increasing demand for broadband applications, particularly media-rich content.

"The next-generation broadband access services strategy, as proven in markets like Japan, South Korea, and Hong Kong, is to focus on market proliferation of value-added broadband services, driven by the launch of compelling broadband content (i.e. IPTV and VoIP) and innovative broadband pricing plans," says Bryan Wang, In-Stat analyst.

Why We Need More Fiber

Skype Brings Prepaid Video Calling to Wal-Mart

Add this to your list of unexpected bandwidth-devouring applications: Remember when videophones were big-ticket business-only items you had to go to special call centers to use? Now anyone can pick up a prepaid calling card down at the Skype Internet Communications stand at Wal-Mart's. The cheapest cards are \$8.00 for three months of unlimited North American calls to cell phones or landlines, or \$20 for per-minute international calls.

True, you can buy Skype calling time on-line anyway if you have a credit card, but this is easier – and is perfect for use with WiFi-enabled mobile phones. Also true: Skype is free when calling from computer-to-computer. You need the prepaid card only to call a regular phone from your Skype account.

For \$25, Wal-Mart also sells a Skype-certified webcam. That's not a great bargain – SDTV-quality webcams are available for less than \$10 after rebate at many electronics and office supply stores, for those who do not have cameras built into their phones or laptops. But many Wal-Mart customers never get to those kinds of stores.

Wal-Mart is cheaper on Skype-certified phones, though – \$30 or so – and it sells deluxe earphone-mike combos for \$15 to use with your computer. I saw a dozen manufacturers' names on the equipment at my own local Wal-Mart, in a community with a large working-class immigrant population. I also saw solid Internet-ready PCs for as little as \$199. That's the price of entry for international calls as low as 2.1 cents a minute (charges can climb to five times that, depending on the receiving country's taxes and fees).

The population around this Wal-Mart depends on cheap DSL or not-so-cheap DOCSIS for broadband, but the FiOS build is underway there. Just in time.

So there's a new market segment making video calls? Not too many years ago (like, five) VoIP was a curiosity that few Wal-Mart shoppers outside of college towns would have known existed. Now the "V" in VoIP stands for video as well as voice – and VoIP stands for more bandwidth needed. – SSR