

High-Accuracy Location-based Services Key to Offsetting Federally Mandated E911 Costs for Carriers

Palo Alto, CA – April 29, 2008 - The U.S. Federal Government has mandated automatic location identification for cell phones as a means for emergency responders to quickly locate 911 dialers. Fortunately, the billions of dollars required to implement this mandate can be leveraged by U.S. carriers to produce commercial Location-Based Services (LBS). LBS promises a lucrative revenue stream and presents carriers with a way to differentiate services in an increasingly competitive mobile environment.

Frost & Sullivan recently completed a whitepaper entitled *E911 & LBS: Addressing the New Location Accuracy Gap*, which reveals that with annual U.S. LBS revenues projected to reach \$3.5 billion by 2013, many high-revenue services such as navigation, fleet management, friend/family finder, mobile social networking and local search require higher accuracy from the network. To achieve higher levels of accuracy *Frost & Sullivan* suggests carriers must give serious consideration to deploying a hybrid location determination solution that employ complementary coverage capabilities.

Currently, no single technology alone meets the location accuracy needs of LBS applications and E911 across all calling environments. Although A-GPS is often hailed as the cure-all for LBS, carriers often must fall back on Cell ID or similar network technologies to compensate for coverage gaps, which include indoor environments and dense urban settings.

“One of the worst things a carrier can do is hype LBS and then not deliver an adequate level of service to its customers,” says Brent Iadarola, Research Director, Mobile & Wireless Communications Practice, *Frost & Sullivan*. “Customer dissatisfaction can be avoided by deploying a location technology that directly addresses the largest markets and seamlessly integrates complementary technologies to provide the highest possible accuracy across all environments.”

If you are interested in receiving a copy of *E911 & LBS: Addressing the New Location Accuracy Gap*, then send an e-mail to Mireya Castilla, Corporate Communications, at mireya.castilla@frost.com with the following information: your full name, company name, title, telephone number, city, state, country and e-mail address. Upon receipt of the above information, the insight will be sent to you by e-mail.

Today, U.S. wireless subscriber penetration stands over 75 percent, with more than 250 million Americans using cell phones. Recognizing the growing enthusiasm for location-enabled wireless applications and anticipating the ongoing resolution of various market and technological issues, *Frost & Sullivan* forecasts a sizable LBS market opportunity in the U.S. Most recently, advertising and promotion of location-based navigation applications has sparked and fanned initial interest in LBS on mobile phones.

Wireless operators' search for new revenue sources is being fueled by competitive pricing pressures, churn rates, and the continuing decline of voice ARPU — all symptoms of a maturing U.S. mobile market. “Creative, well-targeted LBS applications are increasingly viewed as an effective way to differentiate and promote the mobile operator to high-value subscribers in both the consumer and enterprise sectors,”

says Iadarola. "Creatively designed, carefully targeted, and strategically priced, these new data offerings can differentiate the carrier and its services portfolio from other competitors in the marketplace".

Frost & Sullivan research indicates that Wireless Location Signatures (WLS) location determination solution created by Polaris Wireless offers a set of capabilities and benefits that deserves serious evaluation by wireless carriers. On a standalone basis, WLS provides high location accuracy for the majority of cellular calls being made today, those that are made indoors or in dense urban environments. Looking forward, combining the highly complementary WLS and A-GPS technologies into a hybrid solution makes it possible for carriers to obtain superior location accuracy across the complete range of calling environments.

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