Telstra plans WiFi future
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TELSTRA is eyeing its 33,000 public payphones for new wireless base stations as part of
a plan to create a national high-speed wireless data network. Telstra will build between
1000 and 2000 new wireless base stations, or "hotspots", a tenfold expansion of its
existing wireless high-speed data network known as WiFi - over the next two years.
This will increase its present network of just 116 hotspots, which are mainly in Qantas
airport lounges and business hotels.
The 802.11b standard offers users data transfer speeds of up to about 11mbps, but it is
limited by its extremely short practical range. Users can access the service only if they
are within about 100m of the base station.
The network is expected to be relatively cheap, costing millions, rather than tens of
millions of dollars.
Telstra manager of wireless and mobility products Tibor Schwartz said: "We are
progressing that rollout during 2004 and 2005. We will be announcing more strategic
location partners.
"We are also looking to leverage existing network assets of Telstra."
To this end, Telstra would start a trial of 15 payphones nationwide during August in an
attempt to "grow its network cost effectively", Mr Schwartz said.
Telstra wants to use its payphones - which are suffering reduced revenues due to the
growing use of mobile phones - to blanket metropolitan business areas with WiFi.
Telstra was also continuing to deploy wi-fi across the Australian chain of fast food outlets
operated by US-based multinational McDonald's, Mr Schwartz said.
But WiFi will be just one of a range of wireless technologies used to create an Australia-
wide wireless data network.
"We are looking at this as being part of a wider range of wireless technologies.
"We want to use the nationwide coverage of our mobile networks but have the option of
high-speed connectivities in wireless hotspots," Mr Schwartz said.
Other wireless technologies will include higher-speed data upgrades known as 1xRTT
and EV-DO on its CMDA mobile network. Last week Telstra said it would spend at least
$564 million on an alliance to use the third generation, or 3G, network of Hutchison
Telecommunications.
3G networks offer the promise of data speeds approaching fixed broadband connection
speeds, as well as person-to-person video calling.
Telstra wants to link the different technologies to provide a seamless service for its
customers who want to access the internet, corporate or personal data service without
using a fixed-line terminal.
Telstra is also trialling proprietary wireless technology known as Flarion. Last year Telstra unveiled an international alliance on WiFi so its customers could access data from devices such as laptops and personal digital assistants.

In the group are 17 large carriers including BT, Deutsche Telekom, Japan's NTT and T Mobile in the US.

Telstra now appears to have opened a gap on its rivals in WiFi, although analysts are still sceptical about the business case for such networks.

Telstra's main communications rival, Optus, has become less convinced about the profitable future of WiFi and has put on ice its planned national network.

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