



April 6, 2011
Manager, Mobile Technology and Services
Industry Canada
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By email : Spectrum.Engineering@ic.gc.ca

RE: Canada Gazette, Part I, Gazette Notice No. SMSE-018-10, Dec. 4, 2010 entitled
“Consultation on a Policy and Technical Framework for the 700 MHz Band and Aspects
Related to Commercial Mobile Spectrum” : Reply Comments

Huawei Canada is pleased to submit Reply Comments to Industry Canada’s Gazette Notice No. SMSE-018-10, Dec. 4, 2010 entitled “Consultation on a Policy and Technical Framework for the 700 MHz Band and Aspects Related to Commercial Mobile Spectrum.”

The perfect storm is hitting the Canadian wireless industry with the explosion of wireless data speeds and traffic, new devices and applications. Huawei Canada supports the need for additional mobile broadband spectrum and commends Industry Canada’s allocation of 700 MHz and 2.5 GHz bands for mobile services. Huawei believes that all operators should have access to additional spectrum and band plans and licensing policies should provide for an opportunity to aggregate continuous spectrum. This will ensure the continued prosperity and growth of this very important industry for Canadians.

Huawei is a leading telecoms solutions provider serving 45 of the world’s top 50 telecom operators. Huawei’s products and solutions have been deployed in over 100 countries and support the communications needs of one third of the world’s population. Huawei is committed to providing innovative and customized products, services and solutions to create long-term value and growth potential for our customers.

Huawei is pleased to work with Industry Canada and other stakeholders in the Industry for continued success.

Sincerely,

Kevin Dick
Director
Marketing Strategy and Industry Affairs



Huawei Canada Comments

Huawei Canada supports the need for additional mobile broadband spectrum and commends Industry Canada's allocation of 700 MHz and 2.5 GHz bands for mobile services. Huawei Canada believes that for spectrum efficiency, Industry Canada should focus on ways to enable band plans and licensing policies that provide for an opportunity to aggregate contiguous spectrum with 'open auction' rules.

Huawei recognizes the demand on wireless networks globally and with our partners in Canada. Around the world, mobile NW connection speeds doubled between 2009 and 2010, and will further increase 10 – fold by 2015. Data traffic is expected to double every year for the foreseeable future.

Mobile video traffic will exceed 50% of the total mobile data traffic in 2011 and represent two – thirds by 2015. Mobile video has the highest growth rate of any application category. Google reports that the number of YouTube videos delivered to mobile devices around the world tripled in 2010, to 200 million video views each day. Watching a typical web video on a mobile device takes more than 100 times the bandwidth of a phone call.

Huawei also recognizes the changing landscape of devices such as tablets, smartphones, and wireless data hubs enabling exponential growth in ever-expanding data networks. By 2015, there will be 800 million mobile – only Internet users and millions of people around the world have cell phones but no electricity living "off – grid, on – net".

Smartphones, data (PC) sticks, and tablets are fueling the data explosion. Smartphones represent only 13% of global handsets but account for 78% of data. In 2010, the typical Smartphone generated 24 times more mobile data traffic than the typical basic – feature cell phone, and each laptop generated 22 times more traffic than the average Smartphone. Twitter, Facebook and YouTube are the top 3 social networking / media applications in the UK, USA and Canada.

Huawei is investing in Canada to build R&D labs to drive innovation in wireless infrastructure working with world – leading Canadian wireless operators. Canada is unique



in the world with very high Smart-phone penetration which has led to best-in-class techniques and advancements in the areas of signaling, transmission and controller architecture.

Huawei recognizes the importance and scarcity of spectrum in Canada relative to other countries including the US. Dedicating more spectrum for the wireless industry is critical to keep Canadian networks, capabilities, innovation and productivity at pace with other markets. Today the US has over 500 MHz allocated to wireless broadband mobile services where in Canada less than 270 MHz is available in the Cellular, PCS and AWS bands. 700 MHz and 2.5 GHz will help close the gap. From a spectrum loading perspective (i.e. Sub / MHz x Pop), networks in Canada rank high compared to US and international markets, further highlighting the need for more spectrum.

Canada's wireless telecom operators are pushing the envelope with respect to technology leadership, network performance and reach, smart – phone penetration, speed and advanced services for the benefit of Canadians. Having access to additional mobile spectrum is the key ingredient to maintaining leadership and momentum. It is crucial for Canada's wireless operators to have access to 700 MHz spectrum if their customers are not to be left behind or disadvantaged as wireless broadband continues to be deployed throughout Canada.

Huawei believes in more spectrum to all operators to enable growth and innovation. More spectrum will unlock capacity constraints providing better user experience and more features to consumers. This will allow the wireless industry to continue to flourish in Canada enabling new innovative products and services including devices, M2M, consumer electronics and vehicular applications.

Huawei Canada believes that public safety in Canada must have dedicated broadband capacity to serve public safety's mission critical broadband communication requirements. Huawei Canada believes that the deployment of LTE would bring compatibility and enable interoperability amongst first responders in both Canada and United States where the public safety community has already sanctioned the LTE standard.