



Contact *iGR*

Iain Gillott

(512) 263-5682

iain@iGR-inc.com

FOR IMMEDIATE RELEASE

New *iGR* study forecasts U.S. LTE infrastructure CapEx and OpEx spending to reach \$95 billion over the next 5 years

Although operators have been investing billions in LTE CapEx, OpEx spending will be even greater

AUSTIN, Texas, May 14th, 2013 – Most of the largest U.S. operators are already well advanced in their LTE network rollouts, with many new LTE markets deploying each month. Furthermore, as part of the LTE rollout, the U.S. market now offers a large selection of LTE-capable smartphones and tablets.

The major operators have been investing capital expenditures in LTE over the last two to three years and now as their LTE subscriber base is growing, they are incurring increased LTE operating expenses. *iGR* forecasts that in 2015 and the following years, LTE OpEx spending will be greater than LTE CapEx spending.

Between 2012 and 2017, *iGR* forecasts total U.S. LTE infrastructure capital expenditures to be \$37.7 billion and total operating expenditures to be \$57.4 billion, based on the anticipated growth of LTE subscribers and data traffic on the networks. *iGR*'s LTE cost model is based on the amount of data the network is able to support and deliver. The CapEx cost model is based on the cost required to add 1 GB of data capacity to the network, while the OpEx cost model is based on the cost per user per month. While *iGR* expects the overall LTE network operating cost per subscriber to increase, the operating expense per cell site will decline due to increased efficiencies in the network.

"Operators are striving to provide sufficient coverage to be competitive and sufficient capacity to meet the needs of the growing subscriber base, while minimizing unnecessary CapEx and OpEx," said Iain Gillott, president and founder of *iGR*, a market research consultancy focused on the wireless and mobile industry. "This report clearly shows there remains a limited amount of time for significant CapEx expenditures in the U.S. LTE infrastructure market, and that the operators' LTE OpEx levels will overtake LTE CapEx levels in two years."

iGR's new market research report, *U.S. LTE Network Infrastructure CapEx and OpEx Forecast, 2012-2017*, forecasts the total LTE infrastructure CapEx investment per operator and OpEx in the U.S., forecasts the spending split by network component and gives an update on the LTE rollout of the major U.S. operators.

The following key questions are addressed in the new research study:

- How much mobile data will the LTE networks carry in the U.S.?
- How will the amount of data traffic carried on LTE networks grow in the U.S. in the next five years?
- What is the forecast for the number of LTE subscribers in the U.S. in the next five years?
- How much mobile data is each LTE subscriber expected to consume and how does this change?
- Which operators are investing the most CapEx in LTE networks?
- When do the CapEx cost curves begin – and begin to trend downward – per operator?
- How much are U.S. operators investing in LTE both individually and in the aggregate?
- How big is the LTE infrastructure opportunity in the U.S. in the next five years?
- What is the share of LTE infrastructure spending on the network components in the next five years?
- How big is the LTE OpEx in the next five years?

The information in this report will be valuable for:

- Mobile network operators
- LTE network infrastructure vendors
- Small cell OEMs
- Financial and investment analysts.

The new report can be purchased and downloaded directly from *iGR's* website at www.iGR-inc.com. Alternatively, contact Iain Gillott at (512) 263-5682 or at Iain@iGR-inc.com for additional details.

About iGR

iGR is a market strategy consultancy focused on the wireless and mobile communications industry. Founded by Iain Gillott, one of the wireless industry's leading analysts, in late 2000 as *iGillottResearch*, *iGR* is now entering its thirteenth year of operation. *iGR* continuously researches emerging and existent technologies, technology industries, and consumer markets. We use our detailed research to offer a range of services to help companies improve their position in the marketplace, clearly define their future direction, and ultimately improve their bottom line.

iGR researches a range of wireless and mobile products and technologies, including: smartphones; tablets; mobile applications; bandwidth demand and use; small cell architectures; DAS; LTE; WiMAX; VoLTE; IMS; NFC; GSM/GPRS/UMTS/HSPA; CDMA 1x/EV-DO; iDEN; SIP; macro-, pico- and femtocells; mobile backhaul; WiFi and WiFi offload; and SIM and UICC.

A more complete profile of the company can be found at www.igr-inc.com.