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**FOR IMMEDIATE RELEASE**

## **New *iGR* study forecasts declining handset and smartphone sales for the U.S. Regional and Small Operator (RSO) market**

***Recent acquisitions by the Tier One operators have shrunk the RSO segment from 22.2 million subscribers to 12.5 million subscribers***

**AUSTIN, Texas, July 15<sup>th</sup>, 2013** – In the U.S. four Tier One operators - AT&T, Verizon Wireless, Sprint, and T-Mobile USA - provide devices and services to the majority of subscribers. These operators are typically the most aggressive in terms of network technology upgrades (most recently to 4G LTE), and in terms of obtaining the latest devices with increasing capabilities. Regional and Small Operators (RSOs), all of the operators that are not Tier One, continue to compete in smaller markets in both technology and available handsets and smartphones.

2013 has seen two major acquisitions and consolidations that have significantly decreased the number of subscribers in the RSO market segment. First, the acquisition of Metro PCS by T-Mobile USA moved Metro PCS's 9.3 million subscribers from an RSO to a Tier One operator. Secondly, in May, Sprint bought the spectrum of US Cellular in two of its largest markets, Chicago and St. Louis. The affected 420,000 subscribers will more than likely move to Sprint or another Tier One operator.

Due to these two acquisitions, the number of subscribers serviced by RSOs has dropped from approximately 22.2 million in 2012 to 12.5 million. Furthermore, last week AT&T announced plans to acquire Leap Wireless (Cricket). If this transaction is approved, it will lead to further consolidation.

"The Regional and Small Operator segment is shrinking, not because the smaller operators are not performing (they are), but because of acquisition by and consolidation into the Tier One segment," said Iain Gillott, president and founder of *iGR*, a market research consultancy focused on the wireless and mobile industry. "We have quantified the impact of this consolidation on the RSO segment and the impact it is likely to have on the handset and smartphone OEMs serving this important segment."

*iGR's* new market research report, *U.S. Regional and Small Operator Smartphone Market Forecast, 2012-2017*, presents the current division of subscribers between Tier One and Regional Operators, several demographic trends for regional subscribers, and finally, *iGR's* U.S. mobile handset forecast split by operator type (Tier One or RSO) from 2012 to 2017. The forecast includes our estimation of smartphone sales and mobile operating system (OS) sales across carrier types in the U.S. market. Due to the acquisitions of 2013 and the resulting shrinking RSO subscriber base, the number of smartphone sales through RSOs will be significantly lower than previously expected.

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

- What share of total U.S. mobile handset sales did Regional and Small Operators (RSOs) have in 2012?
- What are the handset and smartphone trends of regional subscribers?
- What trends will impact U.S. handset sales from 2012-2017?
- What share of total U.S. mobile handset sales and smartphone sales will RSOs have by the end of 2017?
- What mobile operating system (OS) trends will impact U.S. handset sales for both Tier One operators and RSOs from 2012-2017?
- Which RSOs offer handsets from which OEMs? For example, which RSOs offer the Apple iPhone or Samsung Galaxy S4?

The information in this report will be valuable for:

- Cellular carriers, particularly smaller/regional operators in the U.S.
- Private/ Independent mobile device retailers with U.S. customers
- Mobile device OEMs interested in the U.S. market
- Mobile software developers creating content for U.S. end users
- Financial and investment analysts.

Companies mentioned in this report include AT&T, Verizon Wireless, Sprint, T Mobile USA, Metro PCS, Leap Wireless (Cricket), US Cellular, Samsung, Apple, LG, HTC, Blackberry, C Spire, Motorola, Alcatel, Kyocera, Huawei, ZTE, Pantech, Nokia, and Sony. The report also includes details on which of 48 RSOs offer devices from the various OEMs.

The new report can be purchased and downloaded directly from *iGR's* website at [www.iGR-inc.com](http://www.iGR-inc.com). Alternatively, contact Iain Gillott at (512) 263-5682 or at [Iain@iGR-inc.com](mailto: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](http://www.igr-inc.com).