



## **P11. Increasing Pace of Mobile and Wireless Developments in Emerging BRICs , ICC 2006 - Istanbul**

**J. Roberto Boisson de Marca**  
Fellow, IEEE  
Cetuc – PUC/Rio



## **Latin American Facts**

**Population**  
560,287,688

**Urban Population**  
76%

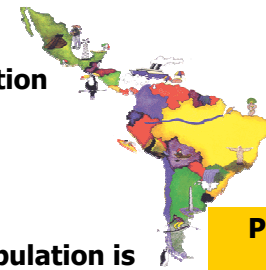
**Average GDP**  
\$3,162 US

**30% of the population is**  
**<15 years old**

**Wireless Subscribers**  
**> 220 M**

**Wireless Penetration**  
**40%; wired line**  
**20%-25%**

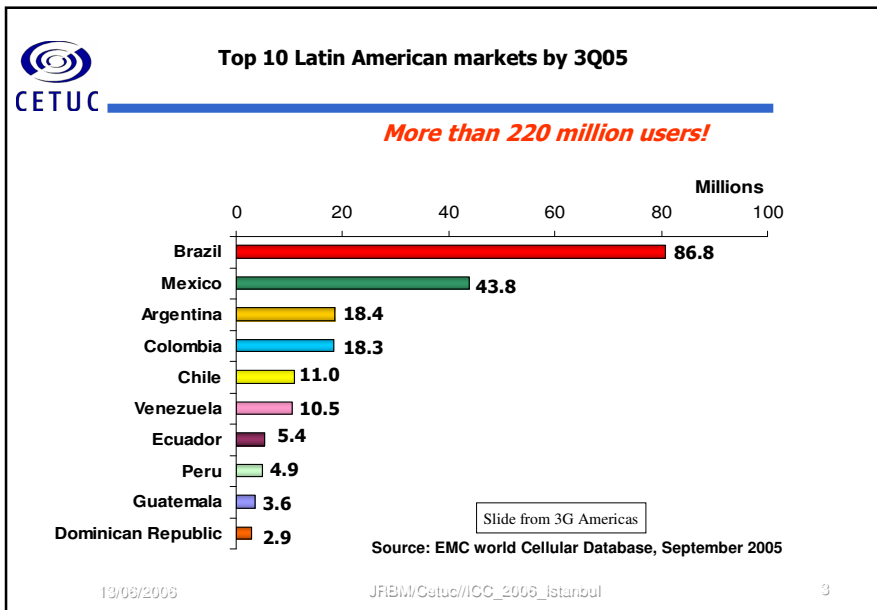
**Prepaid Wireless Subscribers**  
**80%**



13/08/2006

Slide from 3G Americas  
JRBW/Cetuc/ICC\_2006\_Istanbul

2



- CETUC**
- Top 3 Leading Operators in Latin America 3Q 05**
- **America Movil**
    - 36% market share
    - Operations in 13 countries
    - Market leader in Colombia, Ecuador, El Salvador, Guatemala, Mexico and Nicaragua
  - **Telefonica Moviles**
    - 30% market share
    - Operations in 13 countries
    - Market leader in Argentina, Brazil, Chile, Panama, Peru and Venezuela
  - **Telecom Italia**
    - 12% market share
    - Operations in 5 countries
    - Market leader in Bolivia
- Slide from 3G Americas
- 13/08/2006 JRBW/Cetuc//ICC\_2006\_Istanbul 4



### **Operators in Brazil: Market Share**

- Vivo (Telefonica) – 33.35%
- TIM – 23.58%
- Claro (America Movil) – 22.02 %
- Telemar Oi – 12.65%
- Others – 8.5%
  
- EBITDA Margin in 2005: vary from (3.2%) to 37.2%

13/08/2006

JFBM/Cetuc/ICC\_2006\_Istanbul

5



### **Technology Market Share (Brazil) April 2006**

- GSM – 55.3 % (YE2005: 51.7%)
- Cdma – 27.5% (YE2005: 27.8%)
- TDMA – 17%
- AMPS - .1%
  
- Total number of cell phones in April 2005: 90.5M

13/08/2006

JFBM/Cetuc/ICC\_2006\_Istanbul

6



### Technology Market Share (overall Latin America) 3Q05

---

- GSM: 47%
- Cdma: 25%
- TDMA: 26%

13/08/2006

JFBM/Cetuc/ICC\_2006\_Istanbul

7



### Penetration

---

- Brazil: 48.72% up from 38.61% in April 2005.
- Mexico: 44%
- Argentina: 50%
- Colombia 45%

13/08/2006

JFBM/Cetuc/ICC\_2006\_Istanbul

8



## Pre-paid Service

- Brazil: 80.5%
- Mexico 91%
- Argentina: 68%
- Colombia 75%
- Average in the region ~ 80%

13/08/2006

JFBM/Cetuc/ICC\_2006\_Istanbul

9



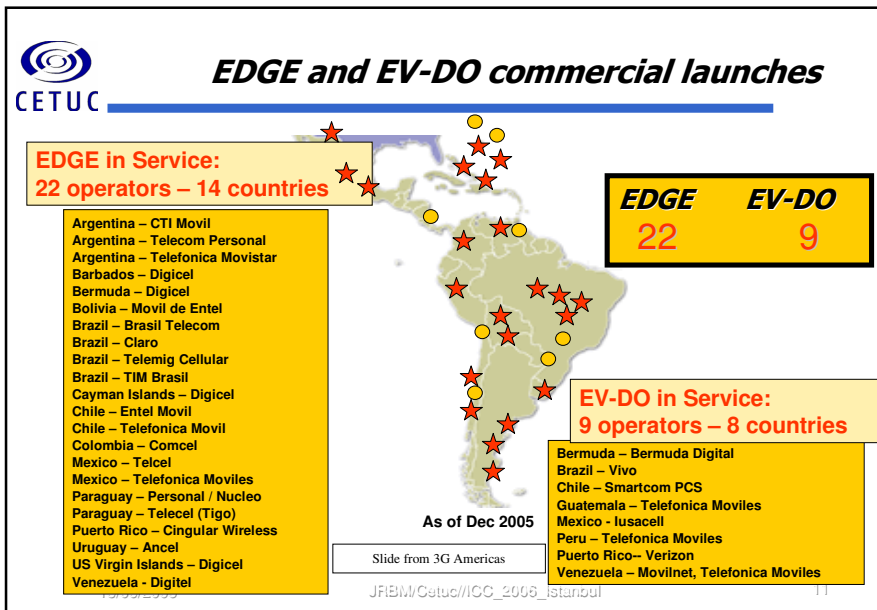
## Average Revenue per User - ARPU

- Brazil: US\$ 11.50
- Mexico: US\$ 18.00
- Argentina: US\$ 15.00
- Colombia: US\$ 12.00
- Roughly, .35% of average GDP.
- Very little elasticity in a family budget.

13/08/2006

JFBM/Cetuc/ICC\_2006\_Istanbul

10



**CETUC** *Sample Rates (Brazil)*

- SMS message ~ US\$ 0.15
- 1GB per month EV-DO access: US\$ 80.00/month.  
Cost of modem ~ US\$ 175.00
- Cost of na EDGE Treo 650 terminal: US\$ 670.00
- EDGE/GSM subscription:
  - 200 min voice + 60 SMS + 500 Kb => US\$ 49.00 per month
  - Additional voice minute: US \$ 0.19

13/08/2006 JFBM/Cetuc/ICC\_2006\_Istanbul 12



### **Brazil: Other telecommunication services**

---

- Broadband access from home: ~ 8%
- Number of Internet users ~ 10% of population
- Percentage of residences with TV sets : 92% (free broadcasting)



**THANKS!!!**