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ICP-ANACOM  
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Portugal

**Public Consultation on prospective extension of Radiomóvel's licence deadline**

Ladies and Gentlemen:

Lucent Technologies appreciates having the opportunity to respond to the public consultation on the possible extension of Radiomóvel's licence.

Backed by Bell Labs research, Lucent Technologies designs and delivers a variety of next-generation networks for communications service providers around the world. We have a long-standing business relationship with Inquam, Radiómovel's shareholder, and are confident that Radiomóvel will be able to develop a viable market-niche telecom business in Portugal, which would be of great benefit to the PAMR community. We look forward to helping Radiomóvel deploy a CDMA network within the timeframe of the extension requested by Radiomóvel.

Please find below our responses to the specific questions that have been raised in the public consultation. We have focused on those issues that are most relevant to our expertise as a developer and manufacturer of communications equipment.

**ANACOM Question One**

In the process of negotiating the provision of telecom equipment to Radiomóvel for the rollout of its nationwide CDMA network, we have had the opportunity to familiarize ourselves with the company's business plan. Supported by an extensive cooperation with leading consultancy firms (AT Kearney and Logical), this business plan is based on the existence of an underserved professional niche whose strong interest for PAMR services has so far been frustrated by the inadequacy of TETRA and analogue technologies. Lucent has a great deal of experience developing and deploying CDMA networks in support of business models similar to that proposed by Radiomóvel. We therefore share Radiomóvel's belief that the professional niche market is underserved and that there should be a strong interest in advanced PAMR services that can be provided over CDMA networks.

Although we are not experts on market conditions in Portugal, we do not believe that the proposed postponement of the deployment of Radiomovel's network would materially change the network's prospects for success. Indeed, postpone would

allow for a launch of the network with an even broader service offering, tailored to the profession niche customer, than is currently available today.

### **ANACOM Question Two**

The PAMR services address specific needs of a professional niche, whose small scale limits the interest of the major operators in providing adequate solutions. A delayed rollout of the network, coupled with fact that the offer of other operators' is not designed to meet the needs of the PAMR niche, can only result in a further increase of this niche's pent-up demand for PAMR services.

We therefore believe that the revised milestones, as currently proposed, will not adversely affect the development and offer of new PAMR services.

### **ANACOM Question Three**

Interconnection enhances the potential of any telecommunication services, including the PAMR services. The PAMR users, through policies set by their company, will adopt specific patterns of communications usage to entities outside of their organizational groups. In general we believe that most of their communication flow will take place within their organization. Yet, there are situations where the possibility to access other networks is paramount. For example: in the case of blue-collar teams belonging to different organizations cooperating on a common task; as in the case of a relationship with subcontractors; or in the case of PAMR services provided to fleets where a transport company driver may well need to contact the company expecting a delivery. There are also situations within the same company where interconnection is very important, such as where an executive in a company who is most probably using a GSM phone wants to talk to a operational worker who uses a CDMA PAMR phone.

We believe that, although the majority of the communication needs for a PAMR company relates to intra-company communications, the importance of the minority of calls addressed outside a PAMR company is such that interconnection provides a fundamental benefit, without which the majority of potential PAMR customers will not take up the service, thereby crippling the business.

### **ANACOM Question Four**

To the best of our knowledge the terminals being proposed for use by Radiomóvel are the only CDMA PAMR terminals available in the market. We believe that only Radiomóvel's shareholder, Inquam, is developing the necessary terminal equipment because of it's commitment to a nationwide CDMA PAMR network. The desire of the niche professional customer base for features unavailable from the existing GSM operators (namely push to talk and dispatch functionalities), will ensure the availability of CDMA PAMR terminals in commercial quantities for Radiomóvel's requested launch of its services in May 2004.

### **ANACOM Question Five**

Theoretically other technologies can be deployed to provide a base for the specific functionalities requested by the PAMR users. For a variety of reasons, currently available alternatives, whether digital or analogue do not offer the same range of services as are available with CDMA-PAMR. Consequently, we believe that the solution proposed by Radiomóvel will provide the best prospects for serving the Portuguese PAMR market. We feel that the minimal delays in deployment requested by Radiomóvel are more than compensated for by the improved PAMR services that will ultimately be provided.

If you have any questions or would like to discuss this further, please do not hesitate to contact the undersigned on +44 1793 883 402, or Charles Mathias, Regional Director/Government Affairs on +32 (0) 495 597 155.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'F. Mulholland', with a stylized flourish at the end.

Frank Mulholland  
Director, Mobility Segment.