

Vodafone captures the future of mobile communication

In only three decades the mobile phone has evolved from a voice-only device to a multi-media 'must have', where colour pictures, video, music & game downloads, entertainment and internet surfing with a handset is now a reality.

When Martin Cooper made the first mobile phone call in the USA in April 1973 using a one kilo 'brick-like' handset ⁽¹⁾, the then General Manager of a telecommunications division could never have imagined that two billion people around the globe would soon be making calls from sleek, 'matchbox-like', handsets weighing just 80 grams.

Today the real possibility exists where customers will no longer have to carry around a handbag, wallet, credit cards or cash. Mobile technology is moving at such a rapid rate that soon the only accessory required could be a mobile phone. A recent study found 46 per cent of mobile phone users would use an e-cash payment facility if one was available ⁽²⁾.

Declan O'Callaghan, Future Data Manager, Vodafone, says "The future is exciting for Vodafone and the mobile industry. Eventually technology will evolve to allow customers to use their handsets to pay for purchases from groceries to booking an overseas holiday".

"Mobile technology is changing the way people communicate every day and Vodafone is at the front of this revolution. A mobile is now much more than a phone, it's become a vital source of staying connected through news & entertainment for users."

Since the mobile communications industry found its feet in Australia in 1981 and launched handsets into the mass market three years later ⁽³⁾, the growth in the industry has been astronomical. In the five years since 1998 alone, the number of network customers has grown from just over 5 million to well over 14 million ⁽⁴⁾.

From its humble beginnings where mobile communication was introduced primarily to ensure police could communicate from their cars using a push-to-talk mechanism, customers worldwide today rely on wireless technology to communicate globally. While there has been a decline in global handset sales, Australian customers are continuing to penetrate the market with analysts predicting growth to 870 million units by 2006⁽⁵⁾.

According to Declan, the mobile communications industry has been thrown into an era where customers are seeking multimedia services such as picture and video messaging, 3D

java games, information services and real music ringtones. With the launch of the Vodafone live! Sharp GX30, Vodafone has exclusively introduced Australia's first print quality, 1 megapixel phone, allowing its customers to do away with digital cameras for good.

"Most people leave their house with their keys, their wallet and their mobile phone," said Declan, "With Vodafone live! we've given customers the ability to be connected to everything that's important to them while they're completely mobile. With access to real time sports scores, stock market prices, breaking news and up-to-date movie reviews, the mobile phone is allowing people to be entertained by their phones and be more mobile than ever," said Declan.

"We continually lead the mobile market with innovations. We have introduced technology that allows our customers to use their phones to access the internet, to tap into their company's Local Area Network (LAN), to collect and send emails, to send picture and video messages around the world, and to do it all affordably."

"It's hard to believe only 12 years ago the first ever TXT message was sent from a personal computer to a mobile phone over the Vodafone network in the United Kingdom. Today, text messaging is an international communication phenomenon and the popularity of picture messaging is following hot on its heels," Declan said.

"When mobile phones were first introduced, the main users were tradespeople and those that could afford the very expensive cost of having such a luxury," explains Declan.

"However, today it seems almost everyone has a mobile phone from the corporate high-flyer who conducts business on the run to the teenager who needs to call Mum or Dad for a lift home.

"In Australia we are seeing that the majority of new handset sales are now categorised as replacement demand rather than the desire to have the latest technology. While handsets have reached a point of being almost incomparable, customers are basing their mobile phone uptake on pricing and services provided by mobile companies."

With smarter, smaller and faster devices being introduced into the market regularly, high-speed data access, Wi-Fi functionality, high-quality video cameras, or viewing broadcast TV are just some of the technologies to be built into the future of mobile phones ⁽⁶⁾.

"The challenge is now on service providers to enhance their products with handset design and provision of mobile content," Declan said.

"At Vodafone we are continually planning for the future. Already we are at the front leading the pack with the development of 3G technology and enabling our customers to take full advantage of the integration of mobile, computing and entertainment technologies."

An indication of just how fast the mobile industry is adopting and re-evaluating new technology is reported by James Pearce of ZDNet Australia who says while third-generation mobile technology has arrived, the industry is already casting its eyes forward to the evolution of 4G ⁽⁷⁾.

“It staggering to think where mobile technology will be 30 years from now, although it is highly likely we will be living in a wireless world, where landline phones are a collector’s item,” Declan said.

As one of the world's leading telecommunications companies, Vodafone has already put some thought into what the future of mobile will look like. Over the next decade there will be all sorts of innovations in mobile technology that we can barely imagine today. Visit www.vodafone.com and click on the Future Vision webpage for more information and to explore what Vodafone think the future will look like.

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| Vodafone 1993-2004 | | Vodafone 2004-onwards | |
|-----------------------|---|--------------------------|---|
| 1993 | Vodafone commenced operations in September as Australia's third mobile licence holder, being at the time the only network committed to digital technology with a GSM service. | Mid 2005 | 3G technology to be introduced by Vodafone – new wave of wireless communication involving internet access and data delivery to mobile phones with moving colour images, audio and sophisticated internet service |
| 1998 | 2G technology introduced | | |
| 2000 | Analogue system phased out of Australia | 2005-2006 | Advances in m-commerce services expected (use of a wireless communication device to perform a commercial transaction) |
| 2001 | Mobile number portability launched. Text messaging introduced in Australia. | | |
| 2001 | Vodafone Australia acquires a 3G national license. | 2008-2015 | Expected introduction of 4G technology into the Australian market – expected to deliver fast broadband quality internet services directly to the mobile. |
| 2001 | Vodafone nominated as the government's preferred tenderer to extend coverage along key rural and regional highways in early 2001 | 2005-2015 | A new wave of technology possible including: <ul style="list-style-type: none"> ▪ a proposed 'virtual bracelet' mobile phone which monitors vital body signals such as heart rate, stress levels, blood pressure etc, as well as carries out the functions of a normal mobile phone. ▪ a proposed 'head up display' which displays images onto the lens of projection glasses to provide a personal, portable, hands-free connection to online information. The combination of projection optics, electronics and wireless communication allows users to keep TXT, graphics and video images continuously in their line of sight. |
| 2002 | There were more than 12 million overall mobile customers in Australia – representing a mobile penetration rate of approximately 62 per cent. | | |
| 2002 | First Vodafone PXTs (picture messages) sent through the Vodafone network. | | |
| 2003 | 3G technology introduced in Australia (by Hutchinson) allowing faster connection speed and multiple uses for mobile phone users merging voice, video and data services. | | |
| 2004 | 2.67million Vodafone customers. | | |
| 2004 | Launch of Australia's first one megapixel camera phone, the Sharp GX30, exclusive to Vodafone live! Allows customers to take print quality digital images | | |

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About Vodafone

Vodafone Group Plc is a leading mobile communications company - 25 per cent of the world's mobile phone users are connected to Vodafone. Vodafone has equity interests in 26 countries, and partner networks in a further nine countries - leaving an unmatched network footprint.

The company provides quality services to 2.59 million Australian customers, 1.34 million New Zealand customers and 91,000 Fijian customers. Vodafone has more than 122.68 million proportionate customers worldwide