

## SNL Blogs



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# Cable CEOs talk '6G' networks, MVNOs, economics in wireless

By [Sarah Barry James](#)

Some of the biggest CEOs in the cable industry see real benefits to moving deeper into the wireless business.

"The quad play works," [Liberty Global plc](#) CEO Mike Fries said Oct. 18 at Cable-Tec Expo 2017, referring to the bundled offering of four services — video, broadband, wired and wireless phone service. Fries, who was speaking to [Comcast Corp.](#) Cable President of Technology and Product Tony Werner, said bundling reduces churn, drives customer engagement and keeps average revenue per user "hovering where it needs to be."

Given Liberty Global's experience in wireless, Fries had some advice for Comcast and other U.S. cable operators moving into wireless. "What we've learned is that if you are going to go [mobile virtual network operator], and this is relevant for you though I am not going to tell you what to do, you need a full MVNO," he told Werner, explaining that the cable operator needs to maintain control over the customer experience and customer pricing. "You really just want to rent the tower and the radio if you can do that," Fries said.

Liberty Global has experimented with different models for mobile service in different countries. With the MVNO model, the company has found the economics can be difficult. "If you are not going to build it, own the spectrum and put the towers up, then you are going to rent it and your margins are skinny and how do you compete with unlimited," Fries said.

Beyond MVNO agreements, Liberty Global has also experimented with joint ventures. In the Netherlands, for instance, the company recently formed a  joint venture with [Vodafone Group Plc](#) whereby Liberty Global merged its Ziggo broadband network with Vodafone's mobile operations to create a stronger converged competitor in the Dutch market.

Fries said the venture has been a solid success, leading to lower churn and improved customer satisfaction. "It's all about happy homes and happy customers. And it works," he said.

A third option, of course, is buying or building a wireless network, and Fries said Liberty Global prefers to buy where it can. "We bought one in Belgium and we're looking at other markets because then you've got owner's economics and you can compete," he said.

"We're all in on mobile," Fries added.

Another cable operator that has signaled its intention to move into the mobile space is [Charter Communications Inc.](#) Speaking at Cable-Tec Expo 2017, Charter CEO Tom Rutledge reasserted the company's intention to launch a mobile offering in 2018. Like Comcast's Xfinity Mobile offering, Charter plans to leverage its Wi-Fi network and MVNO agreement with Verizon.

Given Charter's existing Wi-Fi network, Rutledge said Charter is already a wireless company. "There are 200 million devices connected to the Charter network today that are wirelessly connected by Wi-Fi," he said, adding that the next step for Charter is to go into the mobile business. He sees the upcoming launch of a mobile offering as creating "opportunities for packaging and bundling and new product development."

Charter is also investing in improving its broadband network and plans to use the "Full Duplex" enhancement to the DOCSIS 3.1 standard to eventually offer symmetrical 10 Gbps speeds. In Full Duplex communication, the upstream and downstream traffic concurrently use the same spectrum, doubling the efficiency of spectrum use.

Rutledge called this "6G" technology, noting that cable's Wi-Fi gateways already represent a high-capacity small cell radio network. "Why 6G? Just because it's something we have and the phone guys don't and I want to have it," he said.

Liberty Global operates in more than 30 countries across Europe, Latin America and the Caribbean. The company counts more than 25 million customers who subscribe to cable video, broadband or wired telephone services. But the company also has more than 10 million mobile customers.

Comcast recently launched its  [Xfinity Mobile](#) service, which leverages the company's network of Wi-Fi hotspots and its MVNO agreement with Verizon. The service, which launched across all sales channels in all Comcast markets in August, reportedly bagged 200,000 subscribers as of early October.



**Xfinity Mobile**

*Source: Comcast Corp.*

*Article amended at 5:00 p.m. ET on Oct. 23, 2017, to clarify a reference to Charter's planned wireless offering.*