

GPS and Broadband Economic Landscape

Literature Review and Critical Analysis

What is being said about GPS economics?

- The best analysis is in areas where GPS applications have existed the longest.
 - Most is narrowly focused on one industry sector.
 - Many studies were done 5–15 years ago – forever ago in tech years.
 - Few include any sort of economic or quantitative analysis.
- 

Why do GPS studies need updating?

- ▶ New industry sectors are using GPS e.g sports training, fashion
 - ▶ Existing sectors are applying GPS in new ways e.g public safety
 - ▶ The pace of innovation changes the economic landscape often
 - ▶ Pan-industry sector studies are rare
 - ▶ Many competing needs for spectrum
- 

Economic impact and demand for broadband

- ▶ ITU/UNESCO report – global economic impact of broadband, includes GDP numbers, penetration to growth rates, and analysis of ancillary benefits such as eradication of poverty or increased educational opportunities.
 - ▶ TIA study – shows direct correlation of wireless growth to US economic growth, jobs, etc. Shows that even small amounts of adoption or new use equals hundreds of billions in direct economic effect.
 - ▶ Cisco data, exaflood, greater and greater demand for wireless/mobile data.
- 

Where to go from here?

- ▶ All considered, more economic analysis needs to be done to fully understand the economic value of GPS to industry and to society in general.
- ▶ Several industry sectors just beginning use of GPS have yet to be analyzed at all.
- ▶ Most industry sectors where GPS use is currently underway have been lightly studied, or the studies performed were limited in nature, often to a certain geographic area.
- ▶ Pan-industry studies of even a couple years ago fail to include the many new GPS applications and industry sectors using GPS. Perhaps the greatest challenge is the continued rapid advance of technology.
- ▶ New applications, declining prices and increased computational power combine to rewrite the economics of the technology industry every couple years.
- ▶ With other industries fighting for the finite raw material of spectrum, the GPS industry must continue to generate and update its economic valuation work or risk being marginalized in policy debates.

Questions? Follow up?

Madery Bridge Associates

Bartlett@MaderyBridge.com

www.maderybridge.com

703 626 8478

