

Telkom's cellular play - good news for local industry

 By [Rob Lith](#)

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The announcement by Telkom recently that it plans to replace almost 300 of its unprofitable copper-based exchanges with wireless 3G and LTE services is good news for the telecommunications industry.



If anything, it's an attractive offering that will not only improve connectivity speeds for businesses and consumers, reduce lag and high latency of copper-based ADSL, but will also see Telkom rolling out its MSAN network technology to offer 20Mbps and 40Mbps FTTH and VDSL services in major metropolitan areas. Telkom's remaining exchanges will be maintained in their current state.

The move to 3G and LTE will offer the market a competitively priced product that will provide a better broadband Internet service, with LTE as the preferred last-mile access service specifically for voice.

Testing already conducted by Connection Telecom on Telkom's LTE has been incredibly promising, with increasingly lower latency being experienced. The other major benefit of taking the LTE service route is that it can be deployed in a matter of days rather than the traditional six to eight week promise from the incumbent.

Another important point to consider is the fact that coverage by Telkom for LTE has improved dramatically in recent months, with the greater Gauteng and Cape Town city centres already covered. First prize, of course, would be a wider rollout of fibre and LTE for backhaul capability.

Fibre has inherently greater capacity than LTE, which means that when a Gigabit fibre connection is installed at a high-density business park, for example, it can be easily distributed within that environment and provide greater connection speeds than anything seen before. If the same exercise is attempted with LTE, one would reach capacity fairly quickly when compared with fibre. However, where access to a remote site is required, then LTE makes better sense.

The mobile operators are currently making the most noise in the market about LTE, and for good reason. While coverage

last year was woefully inadequate, the rate with which businesses and individuals can connect to LTE today has improved dramatically from a coverage perspective.

This is only the start to what can be expected to change the telecoms landscape forever. Let's hope pricing of these services doesn't erode what is an already promising landscape for local business expansion.

ABOUT ROB LITH

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