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SAMSUNG MAKES IT A ONE HORSE RACE IN EU Q2



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SAMSUNG PULLS AWAY FROM SMARTPHONE RIVALS IN EU Q2

The sabotage of Huawei's smartphone business by the US Government has put Samsung back on the map in Europe during Q2, with the Korean company recording a spectacular surge and its highest market share for five years, according to UK analyst firm Canalysis.

Chinese smartphone maker Xiaomi had an even more impressive growth spurt in the quarter and now has the fourth highest market share in the region.

Europe smartphone shipments and annual growth Canalys Smartphone Market Pulse: Q2 2019

Vendor	Q2 2019 shipments (million)	Q2 2019 market share	Q2 2018 shipments (million)	Q2 2018 market share	Annual growth
Samsung	18.3	40.6%	15.3	33.9%	+20%
Huawei	8.5	18.8%	10.1	22.4%	-16%
Apple	6.4	14.1%	7.7	17.0%	-17%
Xiaomi	4.3	9.6%	2.9	6.5%	+48%
HMD Global	1.2	2.7%	1.5	3.2%	-18%
Others	6.4	14.2%	7.7	17.1%	-17%
Total	45.1	100.0%	45.2	100.0%	-0%



Note: percentages may not add up to 100% due to rounding

Source: Canalys Smartphone Analysis (sell-in shipments), August 2019

Huawei was well on its way to overtaking Samsung and becoming the number one smartphone maker in the world until the US Department of Commerce threw a spanner in the works in May by adding the Chinese telecoms giant to the Entity List. That threw a dark cloud over the company's ability to do business with critical US technology suppliers.

The Q2 2019 EU figures reflect the adverse effect that this has had on Huawei, while simultaneously providing huge boosts to market leader Samsung and fast growing Chinese smartphone maker Xiaomi (yet to be added to the Entity List).

With Huawei in the doldrums, Samsung surged to more than 40% market share, representing an amazing growth spurt of 20% compared to the corresponding quarter in 2018, and putting a clear distance between it and second placed Huawei which dipped 16% for the same period.

As a result, Samsung had an almost dominant 40.6% market share (18.3 million units sold) compared to Huawei's far distant 18.8% (8.5 million units).

The figures for the previous corresponding quarter were a much closer 33.9% (15.3 million units) and 22.4% (10.1 million units) respectively.

Meanwhile, fourth placed Xiaomi, coming off a relatively low base, soared into the stratosphere, recording an impressive 48% growth to capture 9.6% market share (4.3 million units).

If there was any consolation at all for Huawei in Europe, it may have been third placed Apple, which had an even sorrier tale to tell about its iPhone sales.

iPhone sales dropped 17% compared to the corresponding quarter in 2018, falling to 14.1% market share (6.4 million units) from 17% (7.7 million units) in 2018.



Canalys did not offer any reason for the iPhone's dismal decline in the EU.

However, it is interesting to note that the lower priced iPhone XR was identified as one of the better selling smartphone handsets handsets, suggesting that consumers are price sensitive in the current market.

"Samsung obviously had enough of losing share in Europe," said Canalys Senior Analyst Ben Stanton.

“For years, a focus on operating profit has stifled its product strategy.

“But this year, the shackles are off, and winning back market share is its clear priority.

“But its success is not solely due to product strategy.

“Samsung has been quick to capitalise on Huawei’s US Entity List problems, working behind the scenes to position itself as a stable alternative in conversations with important retailers and operators.”

The price sensitivity of EU buyers was also identified as a major reason for the success of Xiaomi plus the fear of the channel and operators that any one brand becomes too dominant.

“Xiaomi is now a major force in Europe,” said Canalys Analyst Mo Jia.

“Its core strength remains price-sensitive countries across Europe, in online and open market channels, but it is increasingly being trusted and ranged by important mobile operators.

“It is not necessarily in the interests of the channel for Samsung to get stronger.

“If Samsung consolidates its power against a weakened Huawei, it can negotiate harder on margin.

“For this reason, distributors, retailers and mobile operators are actively seeking alternative brands to fill the gap and reduce their dependence on Samsung.”

With the US-China trade war showing no signs of abating, a question that has yet to be considered is whether other Chinese smartphone brands besides Huawei will be drawn into the fray and placed on the Entity List.

After all, the US may with some justification claim that all Chinese companies are at least to some extent tied to the government of that country.

Then again, with the way big tech and corporate media in the US are overtly trying to manipulate political outcomes in that country, China could with equal justification claim the same.

Stan Beer

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SPARK NZ LAUNCHES DIGITAL TRANSFORMATION CONSULTANCY

New Zealand’s largest telecommunications operator Spark has launched a new digital transformation consultancy - Leaven – which it says has been established to assist organisations as they shift to new and more digital ways of working.

According to Spark, Leaven aims to accelerate business and digital transformation, paving the way for New Zealand organisations to adopt, operate, and innovate on public cloud platforms.



Spark chief executive Jolie Hodson said organisations sought smarter ways to turn their aspirations for digital transformation into action as they adapted to the digital era.

“Leaven is an important element of our strategy in helping all New Zealand win big in a digital world.

“Specifically, Leaven has been introduced to help organisations realise the benefits of digital transformation and put plans in place to get there faster.”

Led by former Revera CEO Robin Cockayne, Spark says Leaven will focus on three key areas – cloud adoption, operations and digital innovation, effectively establishing processes and technology enablers that underpin business transformation.

Spark says a team of 20 has been “working under the radar” for the past few months to validate Leaven’s approach, combining local experience with intellectual property exclusively licensed from Cloud Technology Partners (CTP), a Hewlett Packard Enterprise (HPE) company.

Cockayne said CTP was a “recognised leader in cloud transformation”, with its methodologies and consultancy services steering hundreds of large and complex digital transformation projects around the globe.

“We can offer organisations the best of both worlds: years of local experience combined with CTP’s world class, proven IP.

“We believe this combination puts us in an ideal position to help New Zealand organisations transform how they work and the services they offer,” he said.

Cockayne said there was “considerable executive and boardroom interest” in Leaven’s digital transformation offering.

“The volume of noise around cloud and transformation makes it tougher for some clients to get started. But that’s one of the strengths of Leaven’s approach – clarity.”

“From the outset, we’re geared up to deliver end-to-end cloud adoption services for enterprise, from assessment to cloud-native application development, to ongoing managed services,” Cockayne said.

Working with the three leading public cloud platforms – Amazon Web Services, Microsoft Azure, and Google Cloud – Leaven offers a cloud agnostic approach to transformation.

“Digital transformation isn’t easy and requires buy-in across any organisation,” said Cockayne.

“We will be guided by our customers’ needs, working with our cloud partners to identify a proposition that meets their requirements.”

“The partnership paves the way for HPE New Zealand to broaden the scope of its digital services in the local market, said Colin Henderson, Managing Director of HPE New Zealand.

“We’ve invested significantly in these capabilities aligned to our Multi Cloud strategy with on premise and Public Cloud Consumption models and are excited about Leaven’s potential.

“We’ve seen the considerable global success CTP has had, and we are delighted to be able to work with Leaven to offer this capability to clients in New Zealand.”

Peter Dinham



John de Ridder

Telecommunications Economist

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INDIAN MOBILE CARRIERS CONSIDER HUAWEI BAN FROM 5G CORE

The three main mobile telecommunications carriers in India, spooked by the US ban on Huawei and ZTE, have indicated that they may not use equipment from the two main Chinese telecoms companies for the core component of their 5G networks.

According to a [report](#) from India's Economic Times newspaper, Bharti Airtel, Vodafone Idea and Reliance Jio Infocomm are "hedging their risks" against possible future bans against Huawei by the Indian Government.

In May this year, the US Department of Commerce put Huawei and ZTE on its newly created Entity List stating that the "U.S. Government has determined that there is reasonable cause to believe that Huawei has been involved in activities contrary to the national security or foreign policy interests of the United States."

In August 2018, the Australian Government officially banned Huawei from all components of that country's 5G rollout, citing security concerns.

As a result of that ban, Australia's fourth largest broadband provider TPG Telecom, which had invested heavily in 5G spectrum and Huawei equipment, shocked the local industry by scrapping its plans to become the country's fourth mobile carrier.

The three Indian telcos may have paid attention to the TPG case, wishing to avoid the financial penalty paid by that company for investing in Huawei 5G technology.

The Economic Times also raises the argument that has been raging in Australia about whether the core elements of a 5G network (5G core) can be separated from the radio communications elements (5G RAN).

The core is the intelligence at the heart of the network that handles network traffic across all the network access points, including fixed and wireless. The RAN (radio access network) includes all the communications equipment that will be found at the edge of the network, including base stations, antennas and IoT devices.

In Australia, intelligence agencies contend that unlike earlier evolutions of cellular technology, the 5G Core cannot be separated from the 5G RAN, a contention that is hotly disputed by a number of experts in the field and academia.

However, the UK Government has taken the view that the 5G Core can indeed be separated from the 5G RAN and in April this year gave the go ahead for Huawei to become a 5G RAN equipment supplier to UK telcos. According to a report in July, all of the UK telco operators are now using Huawei 5G RAN equipment.

According to The Economic Times, unnamed sources from Indian telcos say they favour going the UK route and using Huawei for only the 5G RAN portion of their rollouts as a middle ground compromise between China and the US.

Stan Beer



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ZTE, CHINA MOBILE CLAIM FIRST 5G SPORTING EVENT BROADCAST

Chinese telecommunications equipment provider ZTE and telecommunications carrier China Mobile have collaborated to deliver China's first 5G sporting event with the broadcast of the country's 2nd National Youth Games.

ZTE and the Shanxi Branch of China Mobile broadcast the event using its integrated 5G Live TV solutions.



ZTE's Digital Intelligent Indoor System 5G-QCell solution covers multiple major venues, including the main stadium, and ZTE says the solution delivers an innovative viewing experience by providing the audience with three distinctive 5G scenarios.

These include multi-angle views, flexible zooming, and free viewpoint - fully meeting the audience's

personalised needs for game watching.

Backed up with technologies such as MEC and low latency coding, says its 5G Live TV solutions reduce the live end-to-end latency to less than 1 second, so that the off-site audience can experience the games in real time.

“Moreover, by means of the industry-leading video production and playback technologies, the on-site spectators can enjoy a special viewing experience on the multi-angle live streaming APP,” ZTE says.

“In addition, the IPTV subscribers of the Shanxi Branch of China Mobile can also access the real-time multi-angle UHD live games on the IPTV platform, watching the high-definition game from four different viewing angles, thereby providing subscribers with a customised game watching experience.

ZTE says it will provide the 5G-QCell deployment solution for the future network capacity expansion and new service functions, such as MEC and LBS(Location Based Services – and by August, had shipped over 80,000 5G QCell products worldwide.

In May 2019, ZTE signed a strategic cooperation agreement with the Sport Bureau of Shanxi Province, Shanxi Radio and Television Station, and the Shanxi Branch of China Mobile, in a bid by the company to create a “distinctive live streaming experience for China's first 5G national sport games”.

Peter Dinham

KEYSIGHT DELIVERS CERTIFIED 5G NR COMPLIANCE TEST CASES

ICT services provider Keysight Technologies has launched 5G network emulation solutions which it says deliver a “leading number” of 5G new radio (NR) protocol conformance test cases validated by Global Certification Forum (GCF) and US operators’ forum PTCRB.

Keysight says its validated protocol test cases enable the mobile ecosystem to accelerate 5G NR device certification in compliance with specifications set by 3GPP, the global mobile communications standards organisation.

“This early access to a comprehensive set of test cases allows device makers to speed validation of a wide range of scenarios,” Keysight says.



According to Keysight, its 5G Protocol Conformance Toolset - part of its suite of 5G network emulation solutions - offers a leading number of GCF validated 5G NR protocol test cases in non-standalone (NSA) mode across both frequency range 1 (FR1) and FR2.

“The toolset uniquely offers protocol test cases for standalone (SA) mode as validated by both GCF and PTCRB. The standalone mode leverages a new 3GPP core network architecture – the 5G Core (5GC) – to unlock the full potential of 5G NR, resulting in new use cases requiring ultra-low latency and higher

capacity.”

“By offering a leading number of RF and protocol conformance test cases validated by both GCF and PTCRB on the same platform, we’re making it possible for global mobile ecosystems to efficiently accelerate 5G device certification, bringing 5G commercial services to consumers around the world,” said Kailash Narayanan, vice president and general manager of Keysight's wireless test group.

“We’re pleased to play a key role in speeding the deployment of a wide range of 5G use cases addressing enhanced mobile broadband (eMBB) and ultra-low latency requirements for both consumer and vertical industry applications.”

Peter Dinham

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