

The GPS Wireless 2004 Conference - The Global LBS Revolution Has Begun

By Kevin Halpern

The evolution of location solutions is now a revolution. This new reality was confirmed at the 8th annual GPS Wireless Conference hosted by Global Technology Communications at the Marriot Hotel in San Francisco California, March 4th and 5th.

This was the first location technology conference that I've attended that provided historical LBS value propositions. The conference highlighted just how intertwined location solutions have become in our daily lives, not just for the enterprise, but also for the consumer market. The conference experienced a 50% increase in attendance, validating the technology industry's interest.

Panelists from world leading location technology companies such as Snaptrack, Sirf, Autodesk Location Services, @road, Trimble, Thales, ESRI, GDT, Nav Tech, Kivera, Telcontar and Circumnave Networks gave detailed presentations of their future plans. Carrier representatives from Verizon, Nextel, Sprint and Bell Mobility discussed their current and future LBS initiatives.

Nextel Mobile Locator, Nextel's branded cell phone LBS was launched in November 2003. This mobile workforce management (MRM) solution costs \$15 per month per mobile worker. Nextel offers over a dozen MRM applications from third party developers. Besides @road, the public company that invented the phrase MRM, the rest are startups, such as Networks In Motion. Nextel is betting that cell phone MRM will maintain 80% of the functionality of in-vehicle GPS hardware, while reducing 80% of the costs.

Nextel's navigation LBS, preloaded on every new phone, is the primary consumer LBS.

Bell Mobility's Adel Bazerghi discussed their My Finder Service launch that has attracted more "unique users" than their top gaming applications.

Mr. Bazerghi discussed in detail Bell Mobility's location accuracy tests at five different test sites. The real world difficulty of location accuracy was highlighted at the urban canyon intersection site. Mr. Bazerghi further emphasized that, "you can't always blame the location technology, accurate content is just as critical."

Although no Asian wireless carriers were represented at the conference, their LBS launches were discussed amongst the panelists, in particular China Unicom's launch. To target the 20 and 30 year-old audience, their LBS launch party occurred at a couple of trendy bars in Shanghai. For one night only, a super model finder contest allowed subscribers to track models throughout the city to win prizes. Will the U.S. carriers invoke such creativity?

Kanwar Chandra, Founder and VP of Marketing at SiRF Technologies discussed the devices that SiRF GPS chips currently power and the next generation devices on the horizon. As the GPS provider for Nextel and the industry leading DeLorme Earthmate laptop navigation solution, SiRF has steadily evolved into one of the leading global GPS companies.

Mr. Chandra eloquently described the future European road toll mandate requiring GPS in every vehicle. This mandate will allow a vehicle to travel throughout Europe and receive a bill at the end of the month based on the distance traveled. So long to toll booths and EZ Pass.

@road's CEO Krish Panu provided cost savings statistics in three different vertical MRM markets based on three different size customers. His description of customer dispatch integration solutions and the customer lessons discovered proved the future focus of unified information sharing between mobile workers and dispatch centers.

Custom MRM solutions are required for each of the 90 plus vertical markets. The MRM market is still in its infancy and thus the industry is still in the fleet manager "basic education" phase. Will @road, with over \$100 million in cash on its balance sheet continue to invest in tailored solutions for the 90 different vertical markets?

During the conference I had a fascinating conversation with Stephen Petilli, CEO and Founder of Networks In Motion, an MRM startup based in Irvine, CA. Network In Motion's recent success in the U.S proves that startups can successfully compete against @road, the 800-pound MRM gorilla. After speaking with Mr. Petilli, it's clear that his team has heavily researched features set requirements for customers in different markets.

Networks In Motion is building a concentrated word of mouth presence by initially targeting customers in their local L.A. market, but also has customers throughout the U.S. Sales and marketing initiatives and resulting brand awareness will differentiate the leaders in round one of the mobile handset MRM war.

Mobile handset MRM allows fleets managers to try an MRM app without the massive in-vehicle hardware investment. Fleet managers now have the option to instantly change MRM providers, and test several different providers before settling on one. The low customer loyalty requirement of mobile handset MRM gives Networks In Motion an opportunity to prove their product's value to customers.

For LBS to thrive privacy concerns are of paramount importance. Based on the panelist discussions concerning privacy it's clear the industry continues to take steps to ensure consumer confidence. LBS will only prosper if consumers are comfortable with location privacy guarantees, as is evident by the initial industry support of the TrustE initiative.

By the end of 2004 a portion of the U.S. carriers will enable mass-market LBS solutions. Nextel's enterprise focused LBS rollout and Asian carrier consumer LBS success stories are stimulating LBS strategy offerings amongst U.S. carriers.

The 9th annual GPS Wireless conference has already been planned, I'll see you then.

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