

Grassroots and Ad-supported Community Networks – can they work?

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Kernthema:
LEBEN IN STÄDTEN

Wie steigert man

- **Lebensqualität,**
- **Nachhaltigkeit,**
- **Wettbewerbsfähigkeit,**
- **Glück und Zufriedenheit?**

Wie reduziert man

- **Umweltbelastung,**
- **Resourceverbrauch,**
- **Ungerechtigkeiten?**



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* Slides courtesy of Alfonso Vegara



Today's locational competition does not take place between countries, but between cities and metropolitan areas.

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**Cities are not only
centers of
knowledge, but
also decisive and
critical locations
for tolerance,
solidarity and
creativity.**



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**It is in cities
that the
questions
related to
GLOBAL
SUSTAINABI
LITY will be
decided for
our planet.**

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**Cities are
mankind's greatest
invention and
critical locations
for global
development –
more than ever in
the Information
Society.**

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Why Community Wireless Networks?

Cities have generally been at the forefront of the adoption of new technologies that transform society, whether railroads in the nineteenth century or automobiles in the twentieth century.

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Community Wireless Network Goals

Transform and strengthen the economy of the cities by providing wireless Internet access throughout the community.

Community Networks are an investment in the people and businesses of cities aimed at making the **Information Society** a reality for their citizens.

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Reasons cities set up Community Wireless Networks

- Economic development
- Social betterment
- Government efficiency
- Tourism and marketing

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The future of Community Wireless Networks

Over the next 5 years, the market for municipal wireless networks and related applications is **“positioned to explode”** in the UK and the U.S., growing from \$900 million this year to \$6.4 billion by 2012 as local governments and internet service providers recognize the economic and community benefits these networks offer.

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Some Common Business Models (1)

- Publicly owned
- Private consortium
- Publicly owned, privately-operated
- Public utility
- Nonprofit ownership

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Some Common Business Models (2)

More successful PPP projects have been those that include long-term **anchor tenant contracts** with the cities hosting the deployments.

Anchor tenant applications tend to be related to **Public Safety, Public Transportation, Government efficiency and Utility Management.**

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However...

Many cities balk at the costs and incumbant telecoms have not been eager to fill the gap.

Meanwhile, several large-scale projects by private consortia have *imploded*...

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Are there alternative business models?

- **Grassroots initiatives**
- **Ad-supported Wi-Fi**

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Grassroots Internet Start-ups (1)



Founded by Argentine entrepreneur and philanthropist Martin Varsavsky. The vision of the company, which calls itself “the largest Wi-Fi community in the world,” is to establish Wi-Fi everywhere.



An Israeli firm that offers a software-based solution that allows users to find the best available Wi-Fi connection in their vicinity. Developing a global, ever-growing database and map of available Wi-Fi resources.



A software-based solution allowing users to share their Wi-Fi connections with others and get free access wherever they find other Whisher members. Whisher aspires to create through this collaboration the world's biggest free Wi-Fi network.

Grassroots Internet Start-ups (2)



A a coalition of wireless developers and community volunteers committed to providing low-cost, do-it-yourself, community-controlled alternatives to contemporary broadband models.



Aims to support Wi-Fi mesh networks for community wireless, education, and the developing world. It is a non-profit organization dedicated to providing free internet access for low-income communities.

www.fon.com

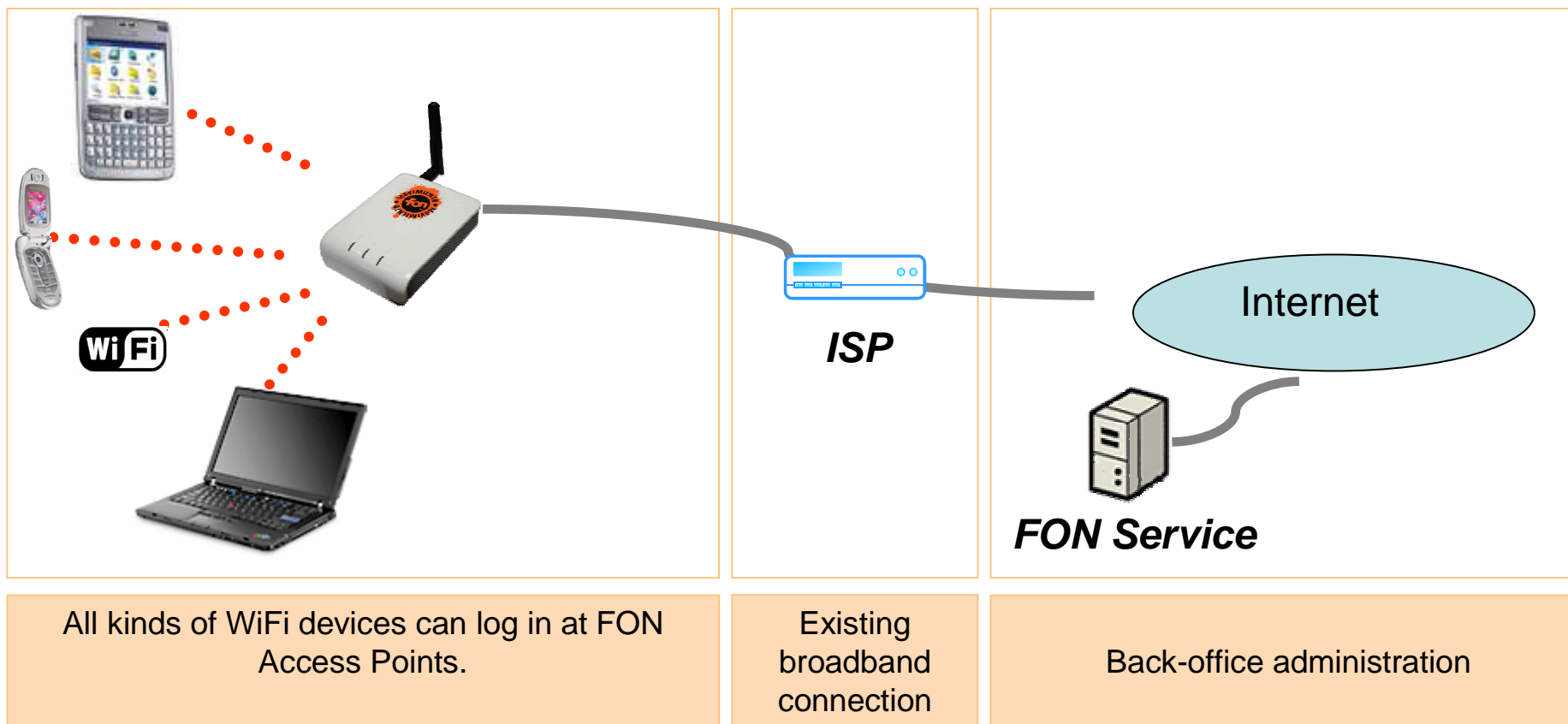
Share WiFi at home,
enjoy WiFi everywhere

The image features two overlapping wireframe globes on a solid orange background. The globes are rendered in a light orange color, showing latitude and longitude lines. The text is centered over the globes.

the goal

to build a WiFi nation
by linking existing WiFi access
points into a single Unified
Global Community

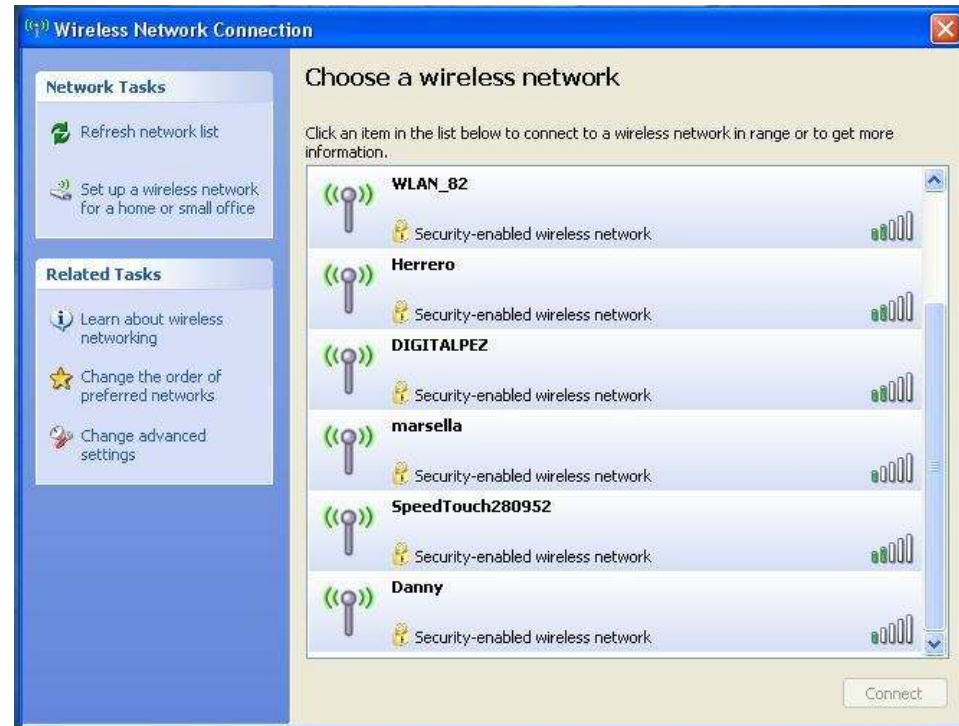
The FON model



Build on existing WiFi

- WiFi signals are always there in cities
- But they are either commercial (and expensive!) or protected and not open
- Just sharing those closed WiFi networks, coverage will be near-ubiquitous urban areas

Real Life Example Madrid



Becoming a Fonero is easy

Option 1: Fon pre-installed routers

- Fon designed its own router “La Fonera”
- Fon cooperates with router manufacturers to pre-install Fon on their routers



JOIN THE FREE WIFI COMMUNITY WITH...
LA FONERA

Option 2: FON pre-installed in ISPs CPEs, BT FON, Neuf WiFi FON ... just say YES to it !!

Option 3: Upgrade existing routers

Users can also download the Fon software from the internet and flash this software on Linux based Linksys or Buffalo routers.

1. Download Software



2. Perform Firmware Update



3. Switch on Fon Access point



The FON Community: Bills, Linuses and Aliens



Linus: **Share their WiFi hotspot** and get free roaming on the Fon Community



Bills: **Share their WiFi hotspot** and get 50% of the revenue generated by Aliens in their hotspot but pay for roaming



Aliens: Customers who pay for access to the Fon Community

SHARING

Neuf WiFi FON partnership

Nom d'utilisateur

Mot de passe

Neuf FON

J'accepte les [termes et conditions](#) du service



Besoin d'aide ?

Connexion !

CLIENTS DE L'OFFRE
HAUT DEBIT NEUF :

Surfez gratuitement en WiFi
depuis ce point d'accès Neuf WiFi

PAS ENCORE CLIENT NEUF ?

Découvrez les offres Internet,
Téléphonie, TV et Mobile de Neuf

Cliquez
ici

neuf

AVEC FON, VOTRE ABONNEMENT
HAUT DÉBIT VOUS SUIT PARTOUT



Devenez Fonero !

Rejoignez la plus grande
communauté WiFi au monde.
Profitez d'un accès gratuit
illimité à plus de 500 000
FON Spots en France et à
l'étranger !



Cliquez ici

Découvrez le service Neuf WiFi FON

fon

fon.com
Blog Forum Boutique

Bienvenue sur un point de connexion **Neuf WiFi FON**

Fon and cities

- Blanquefort
- Paris QN/
Living Labs
- Paris 10,000
- Madrid Chueca
- Barcelona
Kiosks
- Munich
- ...

The screenshot shows a web browser window with the following elements:

- Address bar: wlan | IFun.de - WLAN Reichweite == 2 Meter
- Search bar: Google™ Benutzerdefinierte Suche | Suche | Search the whole FON:IMPERIUM :)
- Language links: ES | EN | DK | FR | IT | DE | NL | SE | FIN | JP | HK | KR | TW
- Page title: fon blog
- Date: Friday, November 9, 2007
- Section: **FON:city - Glockenbachviertel**
- Text: Hallo FONeras und FONeros, FON wächst, und das nicht nur auf dem internationalen Parkett. Wenn wir uns beispielsweise die Situation in München, im Rahmen der **FON.city - Initiative** anschauen, dann merken wir sofort: auch die Anzahl der **FON:spots** im Münchener **Glockenbachviertel** nimmt laufend zu. Wer sich direkt informieren möchte - hier bitte: fon.gs/fonspots_glockenbachviertel. Dort ist es uns mittlerweile ganz gut gelungen, renommierte Partner für unsere Idee zu begeistern. Dazu zählen aktuell unter anderem: **Radio Energy München**, **Radio M 94.5** und **MUX.de**. Mit zahlreichen weiteren Interessenten stehen wir aktuell in Verhandlungen und werden diese auf der neuen [Projekthomepage](#) bekanntgeben, sobald als möglich. Achja: Auch Genf macht sich ganz gut...
- Footer: what am I doing... FON in Cannes @ Forbes Conferences - <http://tinyurl.com/63th65>

When People think WiFi they think laptops



but Fon is also about pocket wifi devices





THANK YOU!

Ad-based Wi-Fi Internet

Microsoft

Microsoft recently unveiled its MSN Sideguide as a means of providing location-based advertising to MSN users using their XP and Vista platforms. This sidebar displays content from MSN channels and enables easy Live Search. A main reason behind MSN Sideguide is to fund the deployment of free Wi-Fi networks.

Google

The launch of Google Maps is an example of how Google aims to provide targeted advertising to Internet users based on their location. Google has already funded its own community network in Mountainview, California and was a bidder on a recent auction of spectrum in the U.S.

Taking advantage of ubiquitous Wi-Fi



Firms such as AnchorFree and JiWire are optimizing Web-based advertising to Wi-Fi hotspots.

Wi-Fi-centric advertisers can target users based on their location to deliver targeted advertising to those consumers most likely to pay attention to it.

Are ad-supported networks viable?

The question of the viability of ad-supported municipal Wi-Fi hinges on whether geo-areas can be hand-selected and advertising performance forecast in a predictable and repeatable manner.

In the end, it's a fairly simple exercise in supply-and-demand.

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The Market...

Mobile Advertising Spending in the US, 2006-2011 (millions)

	2006	2007	2008	2009	2010	2011
General mobile ad spending*	\$410	\$878	\$1,547	\$2,285	\$3,202	\$4,356
Mobile multimedia ad spending**	\$11	\$26	\$55	\$110	\$213	\$402
Total	\$421	\$903	\$1,602	\$2,395	\$3,415	\$4,758

*Note: numbers may not add up to total due to rounding; *includes spending on text message promotions and ad-supported voice minutes; **includes spending on ad placements around mobile video content, mobile music, mobile TV and mobile social networks*
Source: eMarketer, January 2007

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The Players...



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In the not so distant future...

When everyone has an iPod touch and when all digital cameras and Gameboys are Wi-Fi enabled and there are a variety of location-based services to choose from, the whole municipal wireless landscape will change.

It is likely that the ad-based Wi-Fi model will become economical. Targeted ads will be used to drive ROI and thereby justify large-scale deployments.

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Is there enough time to build WLAN-networks and use them?

- WiMAX
- HSPA, LTE
(Long Term Evolution);
(UMTS-Nachfolge-
Technologien)



Like always it's a story about ...

- Cutting edge technology pioneers, first movers
- early adopters, niche businesses
- Mainstream business
- How fast is the evolution?
(Example GIS: for decades „take-off“ was expected, GoogleMaps finally revolutioned the GIS-World ...)
- Killer-Application Location-Based-Services?

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THANK YOU!

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