

Happy 20th Anniversary to STF! ... Reflections on where we were in 1999.

- ***The Matrix*** was the top-grossing film of the year.
- **Telekom Austria** celebrated its first birthday.
- **UPC** launched a digital STB and triple-play service in 5 EU countries including Austria, started an acquisition spree across the Continent, and formed a JV with Microsoft and Liberty Global.
- ***Convergence*** became an industry buzzword and the holy grail.
- Preparations were well underway to launch the **Great Firewall of China** in 2000.

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- **Google** launched its search site in beta mode, resisted pressures to make ad tech its main revenue source – and tried but failed to sell itself to venture capital for \$750K.
- **NTT DoCoMo** launched i-Mode in Japan, considered the first commercial mobile internet service.
- **Apple** released the original iMac – followed by the iPod in 2003 and the first iPhone in 2007.
- **Mark Zuckerberg** celebrated his **15th** birthday.
- Complaints were filed by **MCI** against 5 EU mobile operators alleging excessive mobile termination rates.

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- Telefonica launched negotiations with **Endemol** to buy the producer of *Big Brother*, completed in 2000.
- **Global One** -- the JV between France Telecom, Deutsche Telekom and Sprint -- collapsed.
- The Enron and **WorldCom** scandals rocked financial markets.
- The **dot.com boom** peaked . . . and was poised for a crash in the first quarter of 2000 – a **dot.com bust** that lasted until the end of 2004.

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- The ITU Secretary General announced plans for the first **World Summit on the Information Society (WSIS)**, held in 2003.
- The US and China signed a major trade agreement paving the way for **China to join the WTO** (without any commitments on basic telecoms services).
- A year after full market liberalization, the European Commission published a proposed **New EU Regulatory Framework (NRF)** for the electronic communications.

And How Good Were Our Predictions Back Then?

***Those who do not remember the past are
condemned to repeat it.***

- George Santayana

And How Good Were Our Predictions Back Then?

- The demise of the European telco sector due to rampant competition from altnets and an Unlevel Playing Field created by the NRF did not materialize.
- Cable turned out not to be the biggest threat to telcos.
- Achieving convergence was much easier said than done.
- Telcos' focus on mobile voice and text revenue, and the mobile termination wars, distracted strategic attention from the power vortex that would develop in the mobile broadband/app space.

And How Good Were Our Predictions Back Then?

- We knew that content was king, but not that User Generated Content would become a Killer App.
- Ad-funded business models for OTT services and platforms were not on anyone's radar screen as a pathway to riches and AI dominance.
- No one was worried about China dominating AI.

What new dynamics will European Telcos need to navigate in the decade to come?

- The new Electronic Communications Code: transition to 2021 and a Level Playing Field with OTTs?
 - ❖ Implications of the CJEU decisions on Skype and Gmail
- Platform completion: new regulations on B2B practices.
- e-Commerce Directive review
- IOT and advanced digital systems and technology development like Connected Cars/Autonomous Vehicles, Data Analytics, Blockchain and AI
- Net Neutrality in a 5G world – network slicing and emerging other issues

What new dynamics will European Telcos need to navigate in the decade to come?

- ePrivacy and GDPR
- Enhanced consumer protections online
- Competition law in a digital world
- EU initiatives to adopt a Code of Ethics for AI and fund investment
- Other ‘bricks and mortar’ and scope/scale challenges

Final Observations and Some Big Questions

- Incumbency is a blessing and a curse in a dynamically changing ecosystem.
- Who are the “incumbents” in today’s communications sector?
- Reinvention is risky but can pay major dividends – the Apple example.
- Are we at an inflection point, where the primary focus of regulatory concern going forward needs to be on the content layer rather than telco services/networks?

Final Observations and Some Big Questions

- Are policy makers and regulators equipped to assess and address the Big Picture and new societal concerns, and to let go the reins when bottlenecks and public policy priorities have migrated to different points in the value chain?
- Is AI the new holy grail? Where do telcos fit, and how to balance privacy vs competitive advantage and national security priorities?
- Will the US telco vertical integration paradigm succeed? Can/should this model be replicated in Europe?
- Will telcos exist as such in 2039?

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- Office locations
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