

TOUGH SELL

True Corporation says investing in 5G infrastructure this year would be premature without a proven use case. **B5**

TELECOMS

True says 5G should be delayed for actual use cases

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True Corporation says investing in 5G infrastructure this year would be premature because the next digital wave has yet to manifest and still lacks a proven use case.

True, through mobile subsidiary True Move H Universal Communication (TUC), and other Thai telecom firms have spent heavily on the 4G network roll-out and licence costs over the past few years.

"The proper time for 5G investment for TUC would be 2020-21," said Suphachai Chearavanont, chief executive of Charoen Pokphand Group and chairman of the executive committee of True Corporation.

"The group may have to wait for clearer factors in 5G development before building a detailed business roadmap or investment plan," he said.

Mr Suphachai declined to divulge whether the group would participate in the planned licence auctions this year.

"If the licence auction conditions are attractive, we may consider it," he said.

Mr Suphachai said the mobile service capacity in the market can still serve digital consumption in the country, especially through 4G Massive MIMO (Multiple-Input, Multiple-Output) technology that will play an increasingly

critical role in the evolution to 5G.

Massive MIMO increases network capacity and spectral efficiency, while reducing wireless network interference and improving the end-user experience.

Previously, True Group released a statement saying it did not intend to take part in the planned 700-megahertz spectrum auction, as it was awaiting more clarity on the proposed 900MHz licence payment extension.

True Group said it already has sufficient low-band frequency with the 850- and 900MHz ranges to reallocate the upcoming 5G ultra-broadband services.

Existing bandwidth will be used for 5G investment in specific areas where True Corp expects good return on investment because of significant demand and readiness of 5G-enabled devices.

The company's main focus is on continued revenue and margin growth, as well as cash flow improvement.

Mr Suphachai's suggestion for a delay was also voiced by the chief executive of Advanced Info Service (AIS), Somchai Lertsutiwong, who said earlier that the proper time for 5G service launch would be after 2020.

Mr Somchai said 2019-20 should see lab trials and studies for the best business use cases for 5G. He said he did not want to see the telecom industry

fall into a trap by investing prematurely.

Mr Somchai is urging the telecom regulator to facilitate 5G infrastructure investment by designing spectrum auctions in the future with practical conditions and not just making a priority of getting the highest winning price.

Takorn Tantasith, secretary-general of the National Broadcasting and Telecommunications Commission, said the NBTC Office had planned to submit a draft to recall the 700MHz range to its board for approval tomorrow.

Some board members will not be available at that time, so the board has postponed considering the draft to May 26.