



Part 1/2: Preparing for the 5G Revolution — Why the Next 5 Years Will Be Transformative for Canada's Wireless Industry

Description

After years of hype and anticipation, the roll-out of Canada's first 5G network is a little under a year away, as Canada's wireless companies prepare for what many expect to be the next phase of the wireless revolution.

5G is being touted by many as the biggest advancement in years for wireless technology and “not just another G.”

With it, 5G is expected to rapidly transform download speeds and latency times, paving the way for a wave of innovation in the same way that smartphones paved the way for mobile streaming, apps, and social media.

However, while many Canadians will likely have to wait until 2020 for Canada's 5G network to really gain steam, more densely populated urban centres may get an early taste of the new technology.

For example, **Rogers Communications** ([TSX:RCI.B](#))([NYSE:RCI](#)) is reportedly already staging a field test at the home of its major league baseball team, [the Toronto Blue Jays](#), at Rogers stadium in the heart of the city's downtown core.

Meanwhile, B.C.-based **TELUS** ([TSX:T](#))([NYSE:TU](#)) along with handset-maker Huawei are jointly partnering to develop 5G Living Labs nearby downtown Vancouver's BC Place, where next-generation networks can be tested out in crowded, high-demand environments in real time.

Perhaps it's no coincidence that both Rogers and Telus lead the Canadian market in terms of cellular data usage among their subscribers.

But a “rising tide lifts all boats,” and the new technology should lead to greater demand for wireless carriers across the board, including peers **BCE**, **Shaw Communications**, and **Quebecor**.

Although it won't happen right away, 5G technology will allow users to increase their download speeds by up to 20 times current speeds, which should assist in the shift in consumption patterns from

traditional media outlets like television, radio, and print towards mobile platforms, including streaming video, apps, and social media.

Increased data usage — and rates — on mobile devices should help to offset some of the losses Rogers and BCE have been seeing in their cable and fixed-line businesses, which would be a welcome change for the shareholders of Canada's two leading media and telecom companies.

But while there has been much speculation about the benefits that 5G technology can one day bring, even the experts themselves admit the most transformative, significant innovations remain unknown at this point.

The future is bright...

Early suggestions include transformative applications to the rapidly growing [Internet of Things](#), autonomous driving vehicles, and state-owned infrastructure.

The world is getting more and more interconnected with each passing day, and while we'll have to wait and see what disruptive innovations emerge out of the new technology, one thing we know for sure is that the wireless market has an immediate need for more capacity.

That's something that 5G will help to address right away, and that will be very good news for Canada's wireless subscribers as well as stakeholders — and shareholders — in Canada's wireless industry.

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