

U.S. Outdoor Small Cells Forecast, 2015 – 2020: Delayed, but Still Needed

Market Study
Second Quarter 2016





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Published Second Quarter 2016
Version 1.0
Report Number: 02Q2016-09

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Table of Contents

Abstract	1
Executive Summary	3
Figure A: Comparison of U.S. Outdoor Small Cell TAM with Actuals, 2015-2020	4
Methodology.....	6
Basic Mobile Operator Network Architecture	7
Figure 1: Basic Components of Cellular Voice/Data Network	7
Devices	9
MIMO	10
Wireless Spectrum	11
Cell Sites	12
Figure 2: Typical Macrocell Site	13
Figure 3: Common Types of Cell Towers	14
Expanding cell site capacity	14
Fronthaul & Backhaul	15
Figure 4: Cell Site Backhaul Capabilities and Use Cases, Wired and Wireless	16
Mobile Network Core	16
Figure 5: Overview of the EPC	17
Setting the Stage for Small Cells	18
Network “Pain Points”	18
Different Types of Small Cells	19
Figure 6: Het-Net Overview	20
iGR’s Definitions of Small Cells.....	21
Table 1: Different Types of Small Cells, Licensed and Unlicensed Spectrum	21
Distributed Antenna Systems (DAS)	22
Figure 7: Basic DAS Configuration	23
Figure 8: DAS, BTS Hotels, and Remote Radio Heads.....	24
Hybrid Antenna System	24
DAS/Small Cell Architecture	25
Distributed Radio System	26
Neutral-Host DAS vs. Single Host DAS	26
Table 2: Benefits of Neutral-Host DAS	27
Changing Nature of DAS	27
Figure 9: Types of DAS.....	28
Femtocells and Picocells.....	29
Metrocells	30
Remote Radio Heads	30
Difference Between RRHs and oDAS.....	31
Difference between RRHs and Metrocells	31
Location, Location, Location.....	31

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Outdoor Small Deployment Issues	33
Small Cell deployment requirements	33
Regulatory considerations	34
Small Cell Installations	34
Locations for Small Cells	35
Small Cell Options: Backhaul & Fronthaul	38
Providers of Fronthaul Services.....	38
Fronthaul requirements	39
Small Cell Deployment Issues.....	40
Figure 10: Possible Interference Sources in a Loaded Network	40
X2.....	41
ICIC and eICIC	41
Synchronization.....	42
Latency	42
Figure 11: How Latency Adds Up.....	43
CPRI	43
General Trends / Assumptions around Outdoor Small Cells	45
Outdoor Small Cells: TAM and Actual Deployments	49
Outdoor Small Cells: TAM Methodology	50
Table 3: U.S. Outdoor Small Cells TAM, 2015-2020	52
Figure 12: U.S. Outdoor Small Cell TAM, 2015-2020.....	52
Methodology for Outdoor Small Cell – Actual Deployments	52
Table 4: U.S. Actual Outdoor Small Cell Installations, 2015-2020	53
Figure 13: U.S. Actual Outdoor Small Cell Installations, 2015-2020.....	54
Table 5: U.S. Actual Outdoor Small Cells Deployments by Type, 2015-2020	54
Figure 14: Actual U.S. Outdoor Small Cells Deployments by Type, 2015-2020	55
Table 6: Summary of U.S. Outdoor Small Cell TAM and Actual, 2015-2020.....	56
Figure 15: Comparison of U.S. Outdoor Small Cell TAM with Actuals, 2015-2020.....	57
Small Cell Vendor Profiles	58
Airspan Networks	58
Argela	60
Brocade	63
Cisco	66
Figure 16: Cisco Universal Small Cell Solution.....	67
CommScope	68
Ericsson	71
Fujitsu Network Communications	74
Gemtek	76
Huawei	77
ip.access	80
Juni	83
NEC	84
Nokia Networks	87
Oracle	91
Figure 17: Oracle Communications Security Gateway	92

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Quortus	93
Samsung Electronics	95
Sercomm	97
SpiderCloud Wireless.....	99
Figure 18: SpiderCloud E-RAN System.....	101
Taqua	103
ZTE Corporation.....	105
Definitions	107
General	107
Device Types.....	107
Services	108
Network Technology.....	109
About IGR.....	113
Disclaimer	113

Abstract

iGR believes that outdoor small cells will be an integral part of mobile operator networks. However, the outdoor small cell market is still in the beginning stages of deployment. The main barriers have little to do with the technology itself and more to do with actual installation issues – power, backhaul, regulations, timelines, and overall cost.

The vast majority of the cost of an outdoor small cell is related to providing everything except the actual “small cell” – which *iGR* defines as either a metrocell, RRH deployed as a small cell or an outdoor DAS (oDAS). Definitions follow in the body of the report.

Accessible sites – actual, physical locations – are the scarcest resource with respect to small cell installation. There are only so many poles, building sides and roofs in a given area, and there is only so much useable space on them. Using that space comes at a premium.

In general, these various issues, among others, have conspired to slow down the deployment of small cells by U.S. operators. However, *iGR* believes that small cells – and many of them – are inevitable, particularly as carriers march quickly down the road to 5G. In short, the industry cannot meet the demand for mobile data without small cells.

In this report, *iGR* presents a total addressable market forecast and an “actual” forecast for U.S. outdoor small cells: metrocells, remote radio heads as small cells and outdoor DAS.

The assumptions underlying *iGR*’s outdoor small cell forecasts are explained in this report. The forecasts are further based on *iGR*’s global connections forecast report and *iGR*’s mobile data forecast report, as well as *iGR*’s primary and secondary research, and various other sources.

Key questions addressed in this report include:

- What is an outdoor small cell? What are metrocells, RRHs and oDAS?
- Why do the mobile networks need outdoor small cells to meet bandwidth demand?
- How do outdoor small cells fit into operators’ evolving networks?
- What are the issues with deploying outdoor small cells in the U.S.? How do these issues impact the number of small cells in the market?
- What are the differences between oDAS, metrocells and remote radio heads?

- What is the role of CPRI with outdoor small cells?
- Where are outdoor small cells most likely to be located? What's their role?
- How important is location to the effectiveness of an outdoor small cell?
- What is the total addressable market in the U.S. for outdoor small cells?
- How does the forecast for actual outdoor small cells deployments in the U.S. compare to the U.S. outdoor small cell total addressable market forecast?

Who should read this report?

- Mobile operators
- Infrastructure OEMs
- Small cell product and solution vendors
- Backhaul service providers and equipment OEMs
- Financial analysts and investors.