

## Craig McCaw describes a global wireless world

By [Tricia Durvee](#)

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SAN FRANCISCO — For someone who rarely appears before large gatherings, Craig McCaw has spent a lot of time in the spotlight this week at a wireless industry trade show.

With his new venture — Kirkland-based Clearwire — drawing public curiosity, McCaw spoke yesterday and Monday to the CTIA Wireless IT & Entertainment 2004 conference in San Francisco. And because he usually shies away from attention, his appearances drew curiosity, too.

The two appearances bookended the big news of the week: the completion of Cingular Wireless' acquisition of AT&T Wireless, the company McCaw, 55, started as McCaw Cellular Communications.

On Monday, McCaw asked the crowd to spend a moment of silence for AT&T Wireless; yesterday, he clarified that he did that "tongue and cheek."

Each appearance had a specific purpose. On Monday, McCaw announced Clearwire's partnership with Intel to develop WiMax, wireless broadband technology that can send a signal over long distances and large areas.

Yesterday, McCaw was there as an industry pioneer, what Steve Largent, chief executive of the Cellular Telephone and Internet Association and a former Seattle Seahawk, called "the Lewis and Clark of wireless."

McCaw "is "one of the guys whose passion continues to press the envelope," Largent said in introducing McCaw.

When McCaw took the stage, he quipped that he would prefer to be behind the scenes. "Since I was already here Monday ad hoc, I was wondering which to do — escape to the airport and leave Steve hanging, or show up? I decided to show up," he said.

Then he proceeded into a wide-ranging, almost free-form discussion on his new business, his interests and the state of wireless today.

**On the AT&T Wireless-Cingular deal:** McCaw said the merger needs global perspective. Even though it creates the nation's largest wireless carrier, the U.S. cellular market — with 170 million subscribers — is about the size of a smaller carrier in China.

"I'm a director of China Unicom, one of the major China operators," he said. "With the disappearance of AT&T Wireless, my old company, shortly to come, there's the question of the price competition. In China, they simply announced in the last month that it was no longer appropriate to continue to compete on price and, therefore, they expected it to stop."



Craig McCaw speaks at a wireless trade show.

If only it was that easy here, he said.

**On the digital divide:** It is critical for developing nations to get access to broadband, he said, adding that Clearwire has already received orders from India, Guatemala, the Ivory Coast and other countries.

"It really is part of making the world a better place," he said. "We think we can be a small part of that. Broadband has to be cheap and cost effective and competitive for devices that are different than cellphones."

But McCaw said Clearwire isn't restricted to developing areas. "We were curious what would happen in well-served areas as well," he said. This summer, Clearwire deployed service in Jacksonville, Fla., where other forms of broadband are available.

**On WiMax:** In order for WiMax to be adopted, McCaw said there were a few critical things that must happen, including minimizing taxes and an open-standards policy allowing any operator or manufacturer to develop technology.

McCaw said WiMax will not compete with the cellular industry's answer to broadband — 3G, or third-generation, wireless services.

"Cellular is an incredible industry, here and abroad," he said. "That's a great thing. We don't see it necessary to be foolhardy and to be compete with cellphone industry. We aren't trying to eat someone's lunch, but make the pie bigger."

**On future deployments:** "We'll shortly turn on Abilene, Texas, and St. Cloud (Minn.)," he said. "We do have California deployments coming, but we aren't saying where we are headed next."

He suggested that Clearwire would deploy voice services over WiMax, calling it a logical progression. "I think there's no question we plan to offer voice," he said. "We are working on that and looking at that."

**On advice to an entrepreneur:** McCaw said he started Project Angel, a WiMax service of sorts, 12 years ago at McCaw Cellular.

"In the succeeding years, everyone who has done that has failed," he said. "Being first is not always best." He also said just because he's done it before, doesn't mean he's going to be successful.

"If you aren't scared you probably aren't doing anything. ... We are trying to make as few mistakes as we can," he said.

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