Verizon CEO Calls Obamacare “Disruptive” Opportunity for Carriers

Ben Munson

Verizon CEO Lowell McAdam thinks the Affordable Care Act could be a big growth opportunity for carriers.

Speaking at an investor conference, McAdam remained cautiously optimistic while pointing to the “disruptive” potential Obamacare could have for the M2M market. Specifically, he saw health care providers needing to reduce costs and how that could drive growth in M2M connections.

Despite seeing both M2M and cloud already expanding nicely, McAdam still called enterprise “sluggish” for Verizon and put that market as a whole about two years behind the carrier’s consumer business.

For Verizon’s consumer business, McAdam spotlighted some operational changes happening in the wake of the Vodafone buyout.

“When you have a partnership you tend to move more slowly,” McAdam said, saying that since completing the deal, Verizon has started a Product Development and Management organization and put former COO Marni Walden in charge. Reporting directly back to McAdam, the new internal organization will focus on new products. McAdam offered some vague details about possible integrated services, pulling together Verizon’s wireless and wireline networks.

It’s part of Verizon’s plans to stay ahead of its competition. McAdam praised the current four-carrier landscape as being good for the industry but still put Verizon far out in front of the other major carriers.

Verizon plans to keep priority on its network, with McAdam detailing big LTE demand for the AWS the carrier began rolling out last fall. He also signaled positive steps toward VoLTE deployment, saying he was carrying a VoLTE-capable trial handset and expecting that Verizon could start refarming CDMA for VoLTE in 2015.

Speaking on net neutrality, McAdam called the Netflix-Comcast deal “smart” and reiterated that Verizon has spoken with Netflix CEO Reed Hastings and is close to striking a similar deal to get Netflix to pay for better streaming.

To opponents of such a deal, McAdam simplified the issue by stating that “carriers make money by transporting a lot of data,” adding that people playing it up are people who don’t understand how to run a network.

Source URL (retrieved on *10/26/2014 - 5:31am*):
http://www.wirelessweek.com/news/2014/03/verizon-ceo-calls-obamacare-%E2%80%9Cdisruptive%E2%80%9D-opportunity-carriers