
Wireless carrier wars come to your car

AT&T is pushing the market for in-car Wi-Fi

Computerworld - GM this week became the latest automobile manufacturer to offer Wi-Fi in vehicles when it announced AT&T will supply OnStar subscribers with 4G-LTE connectivity starting at \$5 a month.

But do drivers really need Wi-Fi in their cars?

Wi-Fi

GM's 4G-LTE will allow up to seven mobile devices to pair up at the same time (Image: GM)

"Is Wi-Fi hotspot in your car that important? No. It's not. It's the icing on the cake that in some cases offers consumers an additional value add," said Thilo Koslowski, vice president of Automotive Industry Advisory Services at Gartner. "A lot of devices already come today with LTE capability, so you still have to question what the additional value add is. The additional value here is that you have an external antenna you can rely on and no battery constraints."

GM's is the industry's broadest deployment of 4G LTE connectivity technology to date. The built-in Wi-Fi will allow the pairing of up to seven devices at the same time, as well as improved access to existing OnStar safety and security services.

GM makes the argument that 74% of tablets sold this year will be Wi-Fi only and as many as 91% in North America will be used with Wi-Fi as their only connection, meaning even some cellular-enabled tablets do not have an active data plan.

Other than streaming music and video, in-vehicle Wi-Fi allows real-time updates for navigation purposes, instead of having to wait for vehicle software upgrades.

"Customers using OnStar with 4G LTE can take advantage of a powerful antenna that's stronger than that of a smartphone, along with a Wi-Fi hotspot that operates without draining a mobile device's battery," GM said in a statement. "That hotspot is on any time the car is on."

GM's Wi-Fi allows multiple passengers to share bandwidth, but streaming music or video over multiple devices at the same time means any monthly data cap is likely to be exceeded. And for drivers, the value is less obvious, Koslowski pointed out.

Nevertheless, GM follows a long line of car companies offering in-vehicle Wi-Fi hotspots. Audi, Volvo, Hyundai, Chrysler and Ford all offer Wi-Fi hotspots on some vehicle models (though Ford's is not integrated with the infotainment system). Even the new Chevy Corvette comes equipped with 2G Wi-Fi, according Koslowski.

Audi signed a similar deal with AT&T for 4G-LTE service, as did Tesla. But the all-electric Tesla will only offer 3G Wi-Fi.

While GM is offering 4G-LTE, other car manufactures only offer 3G access, which effectively excludes video streaming. But it does give consumers the ability to "snack" on mobile apps. For example, Volvo

announced last month it will begin offering 3G Wi-Fi routers in future vehicles through a partnership with AT&T.

Verizon has partnered with Hyundai to offer 3G Wi-Fi and Chrysler is offering it through Sprint. But so far, AT&T has cornered the majority of the in-vehicle Wi-Fi market, according to Koslowski.

"It's really AT&T pushing this market hard," he said.

Wi-Fi

Just like a home router, users will have to log into a car's Wi-Fi hotspot.

Third-party Wi-Fi router suppliers, such as Autonet Mobile have partnered with some vehicle manufacturers to offer aftermarket hubs. Autonet's system combines an in-vehicle router, mobile software and cloud services to stream mobile apps. Autonet's router board connects to a vehicle's (controller area network) CAN bus and includes a 3G radio. However, the router runs over 3G and 2.5G cellular data networks, meaning its slower and has less bandwidth than 4G-LTE. Autonet Mobile has two monthly data plans: 1GB of data for \$29 a month and 5GB for \$59 a month.

GM's 4G Wi-Fi will be offered initially as a trial period of three months or 3GB of data, whichever comes first.

GM will offer Wi-Fi beginning with the 2015 Chevrolet Malibu, followed by more than 30 other Chevrolet, Buick, GMC and Cadillac vehicles by the end of the year, the company said.

Plans start with just 200MB of data a month, but the company also offers 3GB for \$30 and 5GB for \$50 a month. There are also annual packages that offer up to 10GB over 12 months for \$150 for OnStar subscribers or \$200 for non-subscribers.

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