



IPCC

Newsletter

International Packet Communications Consortium

Date: February, 2004

Volume 3, Issue 2

Message From The Chairman

Inside this issue:

Z-Tel Selects Cisco For VoIP Migration	2
NexTone Stretches Out Session Controller Role	2
M5 Expands Relationship With VocalData	2
Bell Canada Picks Cisco For Converged Network	3
SoftBank BB Selects Sonus	3
News From Around The Industry	3
Cbeyond Expands Addressable Market	4
France Telecom Experiments With Trendium	4
PacketComm Market Research	4
Upcoming Events	5
Upcoming Projects	6

Z-Tel Selects Cisco For VoIP Migration



Z-Tel revealed the names of its vendors for its 2nd quarter launch of VoIP service, announcing Cisco as its infrastructure vendor as well as Ubiquity and Acme Packet as its server and software providers.

Z-Tel will purchase its softswitching, media gateway and integrated access device equipment from Cisco, which gave Z-Tel a Cisco Powered Network designation. Ubiquity will provide its session initiation protocol server SIP to deliver IP services. Acme Packet will provide session

border controllers.

While Z-Tel still has more vendors to select, company officials said it is on track for its VoIP market launch in the second quarter. Z-Tel also announced its plan of attack: it will deploy media gateways in Atlanta and Tampa, Fla., targeting small and medium businesses and multi-dwelling units (MDUs) in Georgia and Florida and expand beyond those markets throughout the year.

A wholesale and retail voice provider, Z-Tel is making the transition from a UNE-P carrier to a facilities-based CLEC offering its own voice

and data services. But Z-Tel won't be abandoning UNE-P entirely. It now provides voice--and through partners like Covad, data--service to 49 states and has 500,000 UNE-P lines in service. While Z-Tel plans to offer VoIP as an alternative to its wholesale carrier and business customers, PSTN services will still make up a large part of its business. Z-Tel has made its name with a host of enhanced voice services that operate over the PSTN network. Its personal voice assistant technology allows for voice-activated dialing, voice e-mailing and other services based on Z-Tel's proprietary technology.

NexTone Stretches Out Session Controller Role



NexTone Communications is fighting back against the expanding role of the softswitch. In the face of increasing pressure from softswitch vendors who think they can subsume most of the capabilities of session controller, NexTone is launching a suite of advanced session control capabilities that let carriers route, manage and control real time traffic over IP networks.

The FlexControl application suite includes FlexRoute (routing), FlexPolicy (managing) and FlexPeer (control). The idea is to stretch the concept of session controllers beyond providing border control.

FlexRoute, for instance, abstracts route policy from call signaling and lets a single policy database for use with all voice over IP endpoints. Among the potential applications: time of day, class of service and specialized routing. By bringing in such

capabilities, carriers also can relieve some of the role that many anticipated would be taken on by the MPLS routers in the core.

So far, NexTone has had its greatest successes with IP carrier accounts such as ITXC. However, according to NexTone, incumbents such as the RBOCs and big three IXC's are starting to move toward using session controllers. Their current emphasis, though, is on IP-enabling their existing infrastructure.

M5 Networks Expands Relationship With VocalData



M5 Networks, Inc., the leading outsourced IP phone system provider in the Northeast, announced that it has tapped VocalData, Inc., an application developer of hosted IP telephony solutions, to support the launch of the M5 WebPortal, further expanding the two companies' existing relationship.

The M5 WebPortal revolutionizes the way communications is delivered to customers by merging the power of

both computing and telephony to support services that were never before possible.

The new M5 WebPortal service allows customers to check their voice mail through a Web browser, making the management of voice messages as easy as managing email. Through this new Web-based interface, users have the ability to view, play and save their voice mail from any broadband-enabled personal computer -- just as they do today with email.

Using the Web interface, M5's customers can also use other timesaving features, such as click-to-dial functionality that allows users to place calls using their existing corporate or personal address books. Customers can also use the VocalData powered WebPortal to schedule a conference call online or to forward their calls to another phone. For M5, offering services through a highly intuitive Web interface also means fewer customer service calls and a reduction in support costs.

Bell Canada Picks Cisco For Converged Network

Cisco Systems, Inc., announced that Bell Canada, Canada's leading communications company, has recently selected the Cisco® 12000 Series routers to serve as the foundation platform for its single, converged Internet Protocol/Multiprotocol Label Switching (IP/MPLS) service delivery network.

The convergence of multiple



services -- Internet, Asynchronous Transfer Mode (ATM), Frame Relay, Ethernet and Virtual Private Network (VPN) -- onto a common IP/MPLS core and edge network infrastructure provides Bell Canada with greater service flexibility, and enhanced net-

work operational and investment efficiencies. By migrating to an IP/MPLS backbone network, Bell Canada is able to consolidate ATM and Frame Relay switch functionality on the Cisco 12000, while also maintaining its existing Layer 2 VPN customer service level agreements and end-to-end management architecture.

SoftBank BB Selects Sonus

Sonus Networks and SOFTBANK BB Corp. (SBB), one of Japan's largest broadband communication carriers, today announced that SBB is deploying Sonus infrastructure as part of a multi-million dollar contract to build out a new packet-based, next-generation voice network. Under terms of the agreement, Sonus is providing its Open Services Architecture™ (OSA), as well as associated SonusCARESM professional services and support.

SBB launched "Yahoo! BB" jointly with Yahoo Japan Corporation in June 2001 to pro-



vide low-cost broadband services, such as high-speed data and video, to the Japanese market. SBB has implemented a nationwide ADSL (asymmetric digital subscriber loop) network to support the delivery of broadband services, and now has approximately 3.9 million ADSL subscribers. In April 2002, SBB introduced its broadband voice services, "BB Phone", and has more than 3 million telephone customers to date.

SBB was awarded 5.78 mil-

lion of 8.95 million new IP-based telephone numbers to be issued in Japan, and is expanding its network to accommodate the continued growth in subscribers. SBB is deploying Sonus' GSX9000™ Open Services Switch, the Insignus™ Softswitch and the Sonus Insight™ Management System. Using the network built on Sonus equipment, SBB will provide long distance voice services first for residential subscribers and then for enterprise customers in later deployment phases.



Worldwide revenue for next-Gen voice products, after dropping 28% in 2002, returned to a growth phase, growing a solid 21% in 2003. Annual revenue is projected to grow 305% to \$5 billion between 2003 and 2007, a CAGR of 42%.—Infonetics

News From Around the Industry

- Sonus Networks said it has signed an original equipment manufacturer (OEM) agreement with Motorola under which it will provide its GSX9000 switch to Motorola, which will package that unit with its own Motorola SoftSwitch. The packaged solution will target wireless carriers who are just starting to deploy softswitches as a way to slash backhaul costs
- Covad Communications announced it would launch wholesale and direct VoIP services over its SDSL and T-1 lines in the fourth quarter and prepare the way for a future consumer packet voice launch of ADSL in the future.

Covad is opting to go with a facilities-based VoIP partner instead of deploying its own infrastructure for its impending rollout. The service will bring IP all the way to the customer premise, using IADs to connect to its DSL customers' separate DSL and voice networks. For small and medium-sized business customers, Covad will also offer a virtual PBX, or Centrex IP, service utilizing SIP phones and other enhanced service devices.

Cbeyond Expands Addressable Market



Cbeyond Communications announced today that it has begun offering its integrated Voice and Data service to small and medium businesses in Houston, Texas.

Delivering an affordable, integrated package of high-speed Internet access, local phone lines, long distance service and Internet-based applications via reliable T-1 lines, Cbeyond has been providing service since early 2001 and serves nearly 11,000 small business customers in Atlanta, Dallas-Fort Worth, Denver and Houston.

Cbeyond's BeyondVoice I package includes 5 local phone lines, 1,500 minutes of long distance per month and up to 1.5 Mbps of symmetric, high-speed Internet access for as low as \$520 per month. Cbeyond also offers packages for businesses with up to 24 local lines and up to 3.0 Mbps of symmetric, high-speed Internet access. The package is enhanced by a number of web-based tools that make using Cbeyond a real asset for a busy small business – online billing, online account management, and online information resources.

Cbeyond was named the

strongest integrated access service provider for small and medium enterprises (SME) in the U.S. by Stratecast Partners, a division of Frost & Sullivan in its May 2003 report on the telecommunications industry.

According to Stratecast Partners, "Cbeyond embodies characteristics important to attracting SME customers. These characteristics include highly competitive pricing, complete focus on SMEs, high-touch customer care, single bill and fully managed solution," the report concluded.

France Telecom Experiments With Trendium

Trendium, Inc. announced experimentation by France Telecom of ServicePATH™, a solution for quality of service and performance management, in the context of ADSL services analysis and monitoring.

The experiment's goal is to identify means of improving efficiently services delivered to ADSL customers, through accurate and real-time analysis of usage data. One of the objectives is also to improve network operators visibility to



proactively identify incidents, authentication errors that hurt revenue, and the potential services degradation, in order to reduce time to solve incidents and enhance network quality.

ServicePATH provides the tools for in-depth understanding and monitoring of services and related resources; it can be deployed quickly while adapting to both specific and

changing needs. Trendium's solution can manage large volume of usage data in real time, and provides the flexibility to generate, in real-time and offline, reports by equipment, region, customer, offer and service.

In the context of ADSL services analysis, Trendium's ServicePATH fulfilled all expressed requirements, while keeping the ability and flexibility to integrate new functions very quickly.



Consumers stand to benefit significantly from VoIP -- which could account for up to 40% of all U.S. phone calls by 2009 - - if clear regulatory directives are provided in the near future, according to the authors of a new report from the New Millennium Research Council (NMRC).

Packet-based Comms—Market Research

According to Infonetics Research's quarterly worldwide market share and forecast service, Next Gen Voice Products, the 2003 Market Highlights are as follows:

- Worldwide media gateway revenue increased 13% to

\$745 million

- Worldwide softswitch revenue was up 31% to \$380 million
- Worldwide session border controller revenue increased significantly to \$29 million,

up 359% from 2002

- Worldwide voice application server revenue was down 9% for the year to \$33.7 million, but was up 19% from the previous quarter

Upcoming Events

Spring VON 2004

Santa Clara Convention Center
March 28-April 1, 2004

China VoIP 2004

The Great Wall Sheraton Hotel, Beijing
13 May 18-20, 2004

CommunicAsia 2004

Singapore
June 15-18, 2004

For additional information on the above listed events, please contact Paul Ritchie at PRitchie@inventures.com, +1-925-275-6654 or visit www.packetcomm.org.



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About The IPCC

“The International Packet Communications Consortium (IPCC) is the premiere forum for the worldwide advancement of the next generation networks through products, services, applications, and solutions utilizing packet-based voice, data and video communications technologies available today via any transport medium including but not limited to copper, broadband and fiber optics.

The IPCC establishes a common terminology for the softswitch-based architecture, and it promotes interoperability, conducts research, and liaises with governmental and industry organizations to address industry issues that service providers and vendors face. By providing a variety of educational seminars and by fostering the Open Network and Standard Interfaces, the Consortium accelerates the advancement and usage of softswitch-based networks.

The IPCC membership includes wireline and wireless service providers and carriers, governmental agencies, standards bodies, and equipment and software vendors representing all network elements involved in the softswitch-based and next generation network.”

Upcoming Projects

Voice over 802.11 document: This document will provide an overview of the benefits of providing Voice over 802.11 over packet technology and how this technology might be implemented in various networks.

Introduction to OSS in a Packet Environment document: This introductory document will provide an overview of the essential elements involved and needed in an OSS infrastructure for a packet-based environment.

Hosted Services research: This study will focus on end users and the wants and needs they have in the telecommunications/data area. Both service providers and vendors will benefit from this study.

Network Boundary Project (Session Border Control & Security): to develop a clear understanding of Network Boundary issues and solutions, description of the network architecture to include network boundary elements and various implementations, and develop any recommendations as appropriate.

Government Liaison Committee: The goal of this group is to educate policy makers, including FCC, state commissions, as well as Congress and the administration on technical and policy issues affecting the packet communications industry. The group will provide regular updates on FCC and other agency proceedings that may affect the industry. Based on these, the group will determine what and how the IPCC will advocate.

Recently Completed Documents:

- Softswitch as a CLASS 4 Tandem Replacement
- Introduction to Hosted Services
- Leveraging Legacy Networks while Delivering Enhanced IP Services

To Access these and other documents, please visit <http://www.packetcomm.org/dms/categorylist.asp>

Recent Announcements:

- IPCC Releases two new white papers: Softswitch as a CLASS 4 Tandem Replacement and Leveraging Legacy Networks while delivering Enhanced IP Services
- IPCC Announces Election Results for Its New Board of Directors
- IPCC Establishes Special Service Provider Integrator Board to Guide Activities of the Organization

To read these and other IPCC Announcements, please go to: http://www.packetcomm.org/newspr/press_releases.asp