

GSMA

New Green manifesto calls for 40% cut in mobile network emissions

SKYPE

Firm executives make the pitch for mobile operator partnerships

ALCATEL LUCENT

Scores two Asia LTE trials with China Mobile & SingTel units

ALSO MAKING NEWS

CISCO BULLISH ON ECONOMY

Cisco Systems CEO John Chambers reiterated his bullish forecast for the global economy. The infrastructure honcho told CNBC recent earnings pointed to a rapid recovery despite the highest US unemployment rate in more than two decades. "Two quarters ago our business was down 20% in the US in the large enterprise; this last quarter it was up 10%. That kind of tipping point is undeniable," he said. Chambers said Asia Pacific remains the strongest market internationally and claimed European results suggest an imminent recovery there as well. Chambers meanwhile dismissed speculation Cisco would hike its US\$4 billion offer for videoconferencing firm Tandberg and said the merger would likely go ahead on this week's revised terms.

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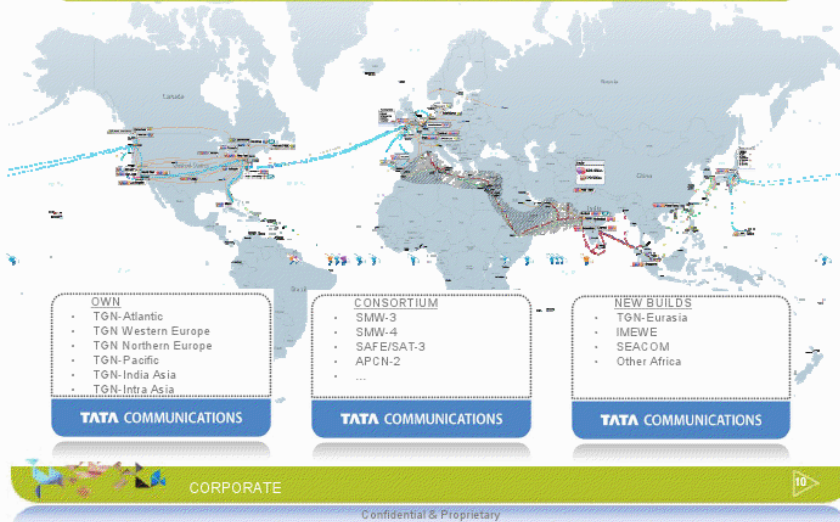
The capacity industry's daily

TATA COMMUNICATIONS



Largest Submarine Cable Network in the World

Ownership of one the most advanced, seamless global transmission networks



Tata says five latest cables complete global ring

Tata Communications says its cable system will literally span around the world with the completion of five new submarine cable systems this year and the next, according to Sunil Joshi, President India, AP, ME and NA, Tata Communications. Tata has invested heavily in pumping up its cable infrastructure with investments in recently launched cable systems such as:

- the US\$600-million, 17,000 km submarine fibre-optic cable system SEACOM which connects East Africa to South Africa, India and Europe;
- the approximately 6,900 km long Pipe Pacific Cable that runs from Sydney Australia, to Piti, Guam;
- and the 6,700 km TGN-Intra Asia cable system that links Hong Kong, Singapore, Tokyo, Vietnam and the Philippines.

The TGN-Intra Asia cable has 2 additional branching units which allow for future cable extensions to other Asian countries, said Tata, adding that when combined with TIC and TGN-Pacific Cable Systems, the TGN-IA cable completes Tata Communications' capability from India to Asia and onward to the United States

The firm is now about to top off its series of owned and in-consortium cable systems with the scheduled completion of the TGN Eurasia cable system this year and the IMEWE submarine cable early next year

The TGN Eurasia cable system links Mumbai directly to Paris, London and Madrid via Egypt. The new cable system is being built in partnership with SEACOM and Telecom Egypt. The new cable will offer future options for additional connectivity in the Gulf region as well as multiple locations in Europe.

The IMEWE cable links India & Europe via Middle East. This three fiber pair system with total length of approximately 12,091 km is complemented with nine

CHINA SAAS MARKET GROWS TO \$171M

Software as a Service will be worth US\$171 million in China alone by the end of next year, according to Springboard Research. The analyst estimates mainland SaaS revenue growth will outpace overall IT performance across the next few years as Chinese enterprises sign up for service. An estimated 75% have already subscribed to some form of SaaS offering while more than half of the remainder expect to do so within the next year. Springboard said on demand security and compliance applications have achieved the widest uptake, although associated revenue is comparatively scarce as most such applications are free. "The appeal and growth of SaaS in China are based on the advantages of SaaS applications compared to traditional software such as lower upfront costs, easier maintenance and quick rollouts," said analyst Devin Wang. "We see aggressive demand for SaaS in China in the coming months, as corporate IT budgets continue to be under tighter scrutiny and enterprises look to hire fewer technical staff."

MOBILE BACKHAUL TO BOOM 60%?

The worldwide mobile backhaul gear market is likely to jump 60% this year to US\$5.9 billion, according to Infonetics Research. That performance would best 2008 growth by one point and suggest the segment remains immune to economic pressures. "We see no letup in the mobile backhaul equipment market, as service providers around the world continue to upgrade their networks to handle the rapidly growing number of mobile broadband subscribers and their bandwidth-heavy habits," stated Michael Howard. Howard said HSPA deployments and a pending

terminal stations forming a consortium of nine leading telecom carriers from eight countries.

IMEWE will be composed of two trunk cables connecting India to France via Pakistan, the United Arab Emirates, Saudi Arabia, Egypt, Lebanon and Italy. Along the route, this cable network will have ten landing points located in Mumbai (two), Karachi, Fujairah, Jeddah, Suez, Alexandria, Tripoli Catania and Marseilles. Alcatel-Lucent will build the turnkey system with the support of its subcontractor NEC who will provide and install the wet plant from Mumbai to Jeddah. This development is greatly significant as it marks the largest connected submarine cable networks in the world and the first to make a ring around the world-sealing Tata Communications' lead in the market.

FROM RIGHT-LEFT TO UP-DOWN: In an interview with CommsDay International, Tata Communications vice president of network strategy, architecture and optimization Simon Cooper said that by next year Tata will be able to connect its cable systems in a ring around the earth.

that after Tata's east-west cable circle is complete, the firm will then be focusing on linking other geographical directions such as up or down.

According to Cooper, Tata has joined a consortium in April this year to build the West Africa cable system, which will provide the first direct connection between southern Africa and Europe. Alcatel-Lucent will provide a 14,000km submarine fibre optic cable system that will link countries in southern Africa, western Africa and Europe with at least 3.84Tbit/s of international bandwidth. The system will connect South Africa to the UK with landings in Namibia, Angola, the Democratic Republic of Congo, the Republic of Congo, Cameroon, Nigeria, Togo, Ghana, Côte d'Ivoire, Cape Verde, the Canary Islands and Portugal. The entire installation is expected to cost about US\$600 million and should be ready for service by mid-2011, said Cooper.

The consortium of multinational telcos operating this cable includes Angola Telecom, Broadband Infracore, Cable & Wireless, MTN, Telecom Namibia, Portugal Telecom, Sotelco, Tata Communications, Telkom SA, Togo Telecom and Vodacom.

Cooper further stated that he does not expect Tata's rapid growth to stall anytime soon. "When we started operating the TGN-Pacific cable in 2005, capacity was only at 400GB and in three years we have managed to upgrade that to 2TB. I don't see a fundamental reason why that growth will slowdown."

Pamela Perez

GSMA launches Green Manifesto, calls for 40% reduction in emissions

GSMA has developed what it calls the Green Manifesto with the Climate Group, a non-profit international organization working with governments and businesses to combat climate change.

Announced at the Mobile Asia Congress in Hong Kong yesterday, the Green Manifesto is intended to lay out how the mobile industry plans to lower its greenhouse gas emissions across various elements within itself, including operators and handset and equipment vendors.

As part of the Manifesto, the GSMA is calling for a 40% reduction in emissions per subscriber connection by 2020, compared to the same figure in the industry in 2009. This forecast covers all emissions from energy sources under the control of the mobile operators, including energy consumption from the radio network, buildings, and energy consumption and emissions from transport, GSMA said.

If achieved, the reduction will eliminate any emissions that will be incurred due to the growth of mobile subscribers during that period.

"The number of mobile connections is set to rise by 70% to 8 billion by 2020 as the industry builds out a new generation of mobile broadband networks, bringing billions of people into the information economy," GSMA said. "Despite this growth, the mobile industry forecasts that, through its activities, its total emissions will remain constant at 245 mega-tonnes of carbon dioxide equivalent (Mt CO₂e) - equivalent to 0.5% of total global emissions in 2020, or the greenhouse gas emissions of the Netherlands."

wave of 4G upgrades meant operators had to ensure support for rampaging data traffic, especially with 1.6 billion new mobile subscribers expected to come online over the next four years. "The most cost-effective way to do that is to transition from TDM to packet IP/Ethernet, which is driving the mobile backhaul equipment market," he said of the healthy sales. Infonetics expects Ethernet microwave to dominate the mobile backhaul space.

VONAGE SETTLES ON PROBE

Vonage Holdings agreed to pay US\$3 million to settle a series of probes into its business practices. The VoIP operator said it would refund customers who complained Vonage agents refused to cancel their accounts following a free trial period. The payout includes settlement costs with 32 states, according to a filing with the US Securities and Exchange Commission. The deal allows Vonage to deny wrongdoing.

BTAS PENS THREE-YEAR AGREEMENT WITH THALES

Professional services organisation and systems integrator BTAS has been selected to provide Australian Defence Force partner Thales Australia with an Alcatel-Lucent upgrade, network integration, and support. The three-year upgrade will include a number of Thales's main sites in Australia. "The key drivers for this project were risk mitigation and leveraging technology to future proof Thales with a solution that is scalable and migratable, while assisting with corporate compliance and global alignment, including open standards," Thales VP of operations Roger Daix said

The Manifesto also calls for a reduction of 40% in energy consumption from a typical handset in standby and active use, as well as a similar reduction in emissions across the lifecycle of network equipment components by 2020.

"With the right public policies in place, the mobile industry can make a major contribution in the fight against global warming, lowering emissions in other sectors by more than 4.5 times mobile's own footprint, which is the equivalent of taking one in every three cars off the road," said Rob Conway, CEO and Member of the Board, GSMA. "The mobile industry could enable greenhouse gas emission reductions of 1,150 Mt CO₂e in 2020 - twice the present emissions of the United Kingdom. We will be calling upon governments at COP15 to ensure that mobile solutions are at the forefront of the global fight to prevent climate change and mitigate its consequences."

One of the key objectives of the Green Manifesto is to get governments "to sign a successor to the Kyoto Protocol and to establish binding global long term targets for the reduction of GHG emissions."

"Wasting energy is just that - a waste. Mobile technologies are at the forefront of a new energy information revolution and have a major role to play in helping individuals and businesses cut their emissions and save money by making it easier to monitor and manage energy use," said Steve Howard, CEO, The Climate Group. "Using our phones to cut energy in our homes and offices, from electric cars and solar panels, to washing machines, fridges and TVs is not rocket science and could soon become as commonplace and simple as sending a text."

Skype Mobile: it's not only about the free voice

A partnership with Skype for mobile operators might result in some cannibalization of their existing voice revenue, but the benefits should outpace any losses, said Skype executives.

According to Russ Shaw, vice president & general manager, Europe, Middle East & Africa for Skype's Mobile Business Unit, the company's partnership with global mobile operator, Three, has yielded both higher value in customer quality and less churn.

The companies conducted a survey in August 2009 and found that continuous Skype users on average used 17% more non-Skype voice minutes than those who didn't use Skype. At the same time, Skype users also spent almost a third more on SMS than non-users and habitual Skype users are twice as likely to hold a data add-on.

The companies also looked at customers out of contracts in June 2009 and found that among continuous Skype users, over two thirds upgraded their contract at the time of renewal, compared to about half of the users from non-Skype users. "We have just commissioned some third party research that show that by happening Skype on your handset with the carrier supporting it, can help the carrier bring more customers, reduce their churn. We see better margins - I think they've delivered something like a 20% increase on their margins - and voice revenue were kind of like 60% up over non-Skype users," Shaw said. "Having Skype in the mobile handset, with what I called the whole ecosystem working, it's a win for us because it extends Skype beyond the desktop, but it's a win for all the partners in the relationship, and in particular the carriers, who have a great differentiating message that they can put to the market."

Shaw revealed that Skype Mobile has been downloaded by 7 million iPhone users and some 17 million Windows Mobile users.

Tony Chan

Alcatel-Lucent LTE trials in Asia

Alcatel-Lucent announced a pair of Asian LTE trials including a 2010 deployment for China Mobile. The agreement regards a TD-LTE network at the World Expo 2010 in the second and third quarters.

The trial finds the vendor supplying ultra broadband wireless coverage at the planned Africa and Theme pavilions for an estimated 70 million visitors. Alcatel said the rollout would be the first TD-LTE field trial in the world. The company

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completed the first TD-LTE data calls earlier this year. Alcatel East Asia head Olivia Qiu cast the trial as an "historical event" that "confirms that Alcatel-Lucent is playing a leading role in the evolution of 3G to 4G and that we are ready to help worldwide operators to take advantage of this technology."

SINGAPORE DEMO: Singapore Telecommunications meanwhile tapped Alcatel to supply LTE gear for a 1H 2010 LTE trial. The carrier plans to coordinate 4G trials in Australia, Indonesia and the Philippines in addition to its home market. Alcatel agreed to provide its radio access network, Evolved Packet Core, IP service routing network elements and a maintenance system. The company will also oversee project management and integration efforts.

"This technical trial is a strong endorsement of Alcatel-Lucent's innovation and forward-looking capabilities as we work closely with the SingTel Group to support its network transformation and LTE strategy. Our solution is further proving its readiness to meet the challenges of current and future network requirements which enable users to consume more complex content at faster speeds," enthused Alcatel Asia Pacific boss Sean Dolan.

Switch and Data forms alliance partnership

Switch and Data launched its Alliance Partners Practice following two years in development with channel partners. The APP provides authorized sales agents with certification, online tools and dedicated relationship managers intended to help cultivate new revenue streams and boost uptake at its 34 North American data centers. The practice also offers systems integrators, third party solutions providers and value-added resellers marketing and branding support alongside customer-solution engineering aid.

"Solutions providers need to work with companies that not only offer the products and services that help them deliver solutions that will meet today's CIO requirements for quality and value, but also understand the unique needs of channel partners," stated Switch and Data indirect channel sales head Joe Mileo. "Switch and Data has taken the time to understand these needs and provides a complete package of tools and support to enable channel partners to deliver best-in-breed solutions."

APP includes Bandwidth Advisors, Digital Connectivity Resources and Silent Partner among its charter members.

FCC taskforce sees policy gaps

The US Federal Communications Commission task force responsible for drafting the National Broadband Plan has outlined a series of "critical gaps" in federal policy it claims must be addressed alongside the pending US\$7 billion broadband stimulus awards.

The group said spectrum scarcity and high rural costs were limiting broadband uptake and criticized service providers' habit of keeping service metrics from both consumers and digital applications providers. The latter creates an adoption hurdle as subscribers have no basis for informed decision-making and companies reliant on the Web for applications delivery cannot accurately tailor new services to meet network standards.

The task force noted broadband uptake remains stratified by income level and noted the Universal Service Fund remains limited to closing the voice divide rather than expanding to fit the times. US broadband penetration approached 90% at the \$100,000 annual level but falls to 35% among those earning \$20,000 or less. Uptake also varies among ethnic groups, with 65% of white Americans enjoying fast connections but just 40% of Hispanic households boasting broadband access. The commission speculated a chokehold on devices could be holding back broadband subscriptions, noting 76% of American households have a computer compared to 99% with a TV. Lack of competition in the navigation and set-top box market has stymied innovation and affordability of devices and services that could drive adoption. The FCC is expected to issue its National Broadband Plan early next year.