

Pipeline

Technology for Service Providers.

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Newswatch

By Jesse Cryderman

Summer is here, and while many folks take holiday to spend time with family, it seems communications service providers are finding ways to spend more time together as well. This month Nokia Siemens Networks and Everything Everywhere joined forces to create interactive, cloud-connected vending machines that are enabled with M2M technology; Deutsche Telekom partnered with VMware for cloud services; and AT&T and Acclaim Energy teamed on smartgrid solutions.

Verizon and Comcast leveraged the power of partnership to offer customers in ten additional states access to a variety of video, communications, and internet incentives. Verizon also joined with BMW, Honda, Hyundai Motor Company, Kia Motors and Toyota Motor Sales, Inc. to launch the 4G Venture Forum for Connected Cars. The area of telematics, or broadly the connected car, is getting a lot of press these days, as both manufacturers and CSPs attempt to shape the vision of the future of transportation. The 4G Venture Forum will become an incubator for solutions and standards. An additional level of safety must be considered when designing in-vehicle solutions. "There are many challenges to designing next generation telematics and infotainment solutions, including supporting safe and responsible driving, advancing vehicle-to-vehicle solutions and improving sustainability, among



others," said Tami Erwin, Chief Marketing Officer, Verizon Wireless.

Oracle Officially Enters the Cloud

Shortly after acquiring yet another cloud company (Collective Intellect), Oracle formally announced their cloud strategy. Responding to criticisms that Oracle is late to the cloud game, CEO Larry Ellison argued the Oracle simply spent the time to do cloud right.

"Almost seven years of relentless engineering and innovation plus key strategic acquisitions. An investment of billions. We are now announcing the most comprehensive Cloud on the planet Earth," said Ellison, the day of the new services launch.

Oracle reported good numbers at the end of their

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fiscal year, and Mr. Ellison bought a Hawaiian Island at the end of June, so presumably business is good.

The New Plan

Communications service providers and their BSS vendors have been talking about the need for sweeping changes to mobile plans for some time. Current plans have problems: for customers, they can be hard to understand; disastrous roaming and bill shock stories still make headlines and lead to bad public relations for the industry; billing needs to be converged from numerous silos into a single system in order to support future scalability and agility; dynamic catalog options or dynamic billing services are needed to deliver improved personalization; and possibly most importantly, current plans aren't setup to monetize services in the way that they are being consumed. In other words, mobile data billing needs an overhaul, and it appears the tide is beginning to turn.

Verizon unveiled its biggest change to subscriber plans and pricing in several years, [ditching unlimited data plans](#) for new customers, and offering "shared everything" plans, which feature a shared data allotment that can be distributed among as many as ten devices. While data is in fact shared, and text and phone calls are free, there is a monthly per-device charge in addition to the price of the plan. NTT DOCOMO followed suit later in the month with affordable flat rate billing plans for data communications that support multiple devices and make data use charging easier to understand.

World IPv6 Launch

On June 6, World IPv6 Launch came and went

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with a bit less fanfare than you might expect for a game changing, next-gen internet protocol that will supply the world with a near-infinite number of IP addresses. Still there was quite an increase in participation compared to last year's World IPv6 day. More than 3,000 website operators (Google, Yahoo, AOL, Netflix), 65 service providers (including AT&T, Verizon, Orange, Comcast, KDDI), and five router companies were part of the event that proved IPv6 is well-supported and ready to roll. To view an excellent infographic prepared by the Internet Society (the non-profit group behind IPv6 Launch Day), click [here](#).

The Internet Society also provided a wealth of [measurement data](#) as it relates to IPv6 traffic, global distribution, and latency. As a percentage of traffic, universities were at the top of the IPv6 tally, with nearly 60 percent of all internet traffic transported on the latest protocol at Virginia Tech. KDDI had one of the highest IPv6 traffic rates among telcos, at nearly 11 percent. In terms of latency, Microsoft's Bing took the cake, with latency numbers of just 7.4ms, compared to next-place Google at 15.8ms.

"The support of IPv6 from these thousands of organizations delivers a critical message to the world: IPv6 is not just a 'nice to have'; it is ready for business today and will very soon be a 'must have,'" said Leslie Daigle, Chief Internet Technology Officer,

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Internet Society. “We believe that the commitment of these companies to deploy IPv6 will ensure that they remain industry leaders. Any company wishing to be effective in the new internet should do the same.”

Wi-Fi and the Mesh of Connectivity

In the last issue of Pipeline, we covered the numerous access technologies that must work in concert to deliver ubiquitous connectivity, a phenomenon we deemed the [wireless mesh](#). One of the rising stars in the wireless mesh is Wi-Fi and for good reasons: Wi-Fi is inexpensive, highly deployed, and relies on unlicensed spectrum.

Instead of being bound by the build-it-or-buy-it dichotomy of the past, communications service providers (CSPs) are joining forces to accelerate time to market for expanded connectivity. Further, carriers can understand and shape the customer experience to a much greater degree by keeping customers “within the fold” as they transition to Wi-Fi connectivity. As an expected result, new partnerships in the world of Wi-Fi made news last month.

Bouygues Telecom teamed up with Devicescape to offer their customers global, seamless Wi-Fi connectivity. This is significant because Devicecape operates the largest hotspot network in the world. Bouygues Telecom users will have free connectivity to 8 million hotspots, and receive guaranteed quality and bandwidth. Access to the no-cost worldwide hotspot network offers an attractive option for customers who want to avoid roaming charges as they travel.

John Lillie, Vice President, EMEA of Devicescape, commented on the competitive advantages offered by partnering to immediately offer global Wi-Fi connectivity: “By providing Wi-Fi access for its customers wherever they are, Bouygues Telecom gains a major competitive advantage.”

For service providers who already have significant Wi-Fi assets (AT&T comes to mind), the partnerships can go both ways. In late June, SK Telecom inked a deal with Boingo Wireless to allow Boingo customers to tap into SK’s network of 75,000 Wi-Fi hotspots throughout South Korea. The benefits gained by reducing exorbitant roaming charges were called out in the official announcement, underlining the increasing degree that CSPs are looking to Wi-Fi to offload traffic and help alleviate bill shock and deliver economical connectivity when roaming.

In another [Wi-Fi story](#), Comcast added mobile Wi-Fi calling to its Xfinity product portfolio, enabling customers to make phone calls and send text messages for free, whether at home or over a public

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Wi-Fi hotspot. As Pipeline posited when the news broke, Wi-Fi calling could become the solution to a compelling wireless model that has eluded MSOs.

Market Research

A wealth of valuable market research that impacts both service providers and vendors in the communications industry was published last month. An Infonetics [report](#) covering the convergent charging market found Comverse ahead of the pack with Huawei and Ericsson close behind, while data from [ABI Research](#) pegged Huawei and ZTE on top of the mobile broadband modem market. Saving the planet one paperless bill at a time isn’t just good for the trees; Sprint [commissioned a study](#) of consumer billing preference and found that customers of major wireless service providers in the United States who receive their bills electronically tend to be more satisfied with billing than those who rely on snail mail. Last but not least, vendors take note: CSPs continue to spend more on managed services, which means solution portfolios need to include end-to-end service offerings. According to the [latest research](#), projected spend on managed services by telcos will reach \$75 billion by 2016. For more industry research and news, be sure to visit Pipeline’s [Newscenter](#).