

- Switch to the alternative ! ™

Introduction to NGN solutions



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Company Overview

u Developer of voice switching equipment for operators

- Class-4 Transit & Class-5 Local Exchange Switch
- With native support for TDM, ATM and IP
- Designed with Next Generation technologies
- Interoperable with mobile networks

Products operational on the field since 1998

- Over 300 Cirpack systems deployed in real telco infrastructures
- Over 22,000 E1 interfaces shipped (TDM, ATM, IP technologies combined)
- Several billion minutes carried per month, real traffic

Private Company, Owned by its management

- Headquartered in Suresnes, near Paris, France
- Started in 1997, first system deployed in 1998
- Profitable since 2001, No debt



Cirpack Targets

u Target Customers

- Incumbent & Alternative operators
- Long distance carriers & Wholesalers
- ISP and ASP

u Target Applications

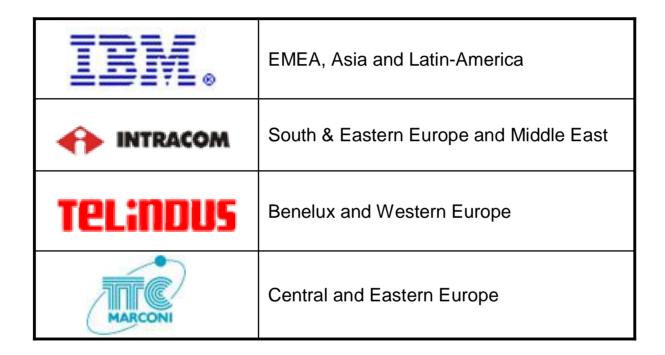
- TDM/IP/ATM trunking & SS7 interconnect (Class-4 replacement)
- POTS and ISDN telephony (Class-5 replacement)
- VoDSL, VoIP, VoWLL, VoCable... (Packet telephony, Double/Triple play)
- IP Centrex (Hosted PBX) and value-added voice services

u Target Geographies

- Western & Eastern Europe
- Middle East & Northern Africa
- Southern Asia & Latin America



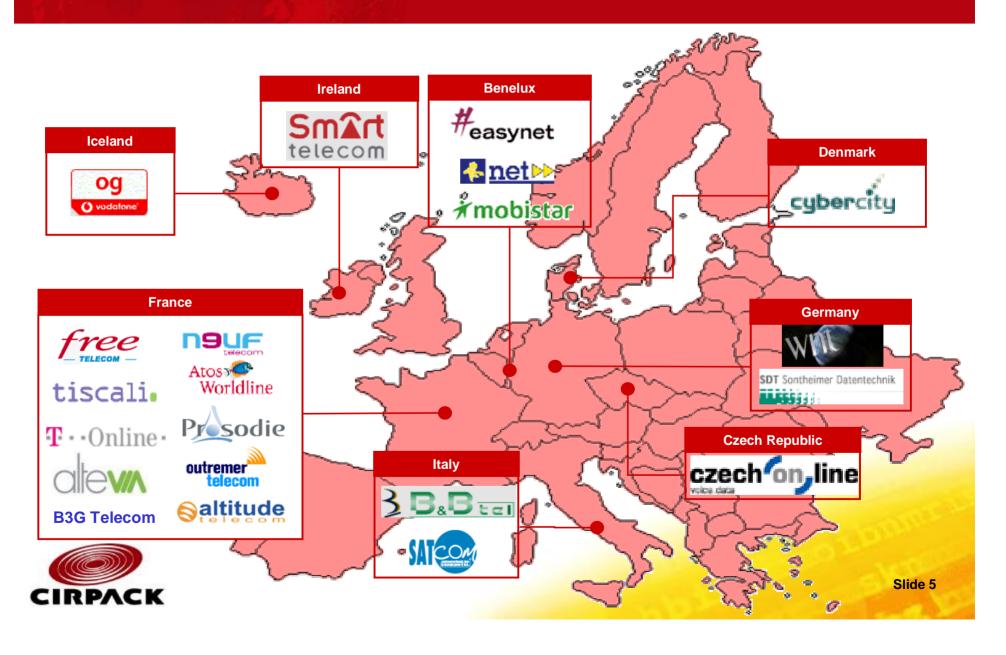
Global Network of System Integrators



And other local system integrators...



Customer References





An overview on the softswitch market

Looking at the French Broadband Market





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Looking at the French VolP Market

Free Telecom pioneered the market

- Launched Triple Play service in August 2003
- Largest alternative DSL provider with 900,000 subscribers
- 6 Mbps DSL + 100 TV channels + unlimited phone calls (@ 30 EUR per month)





9 Telecom (fka LDCOM)

- Opened service in January 2004. Started advertising in September
- 2 Mbps DSL + unlimited phone calls

u Tiscali

- Launched service in June 2004
- 2 Mbps DSL + unlimited phone calls





u Wanadoo

- Launched service in September 2004
- 2 Mbps DSL + unlimited phone calls
- T-Online, Cegetel and AOL are said to be preparing service launch...



Free Telecom ILIAD Group



Largest independent ISP in France

- Is deploying DSLAM all over France
- Signs over 150,000 new DSL subscribers per quarter
- Highly profitable, Public company (Euronext ILD)

Residential VoIP service in mass production since mid-2003

- Delivers a large set of voice features (self provisioning, CLI, voice mail, etc)
- Is now enabling full unbundling and Number Portability

u TVoverDSL available since end-2003

- High definition digital TV available to all unbundled subscribers
- Over 100 TV channels including premium programs

Deployment Facts:

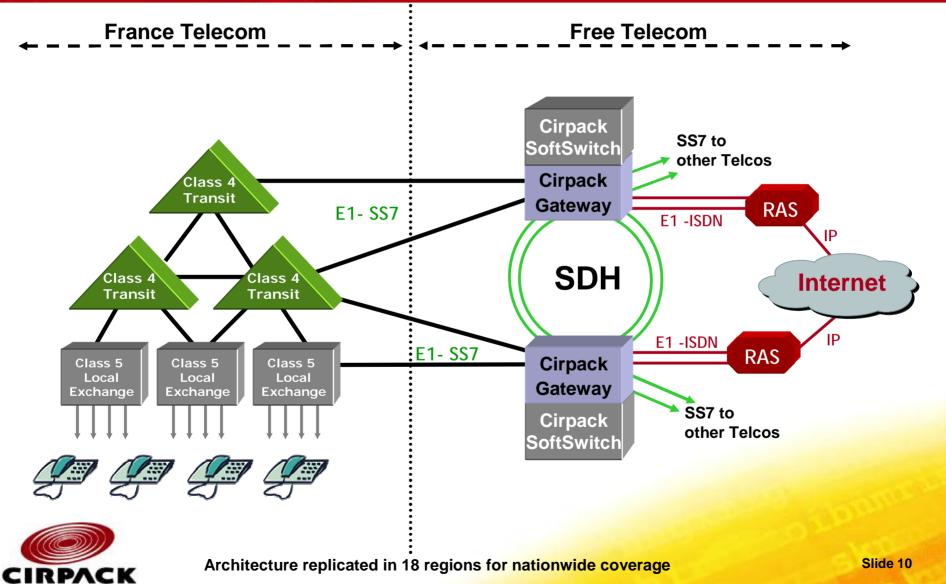
- The largest VoIP deployment in Europe
- Targets POTS replacement, not second line service
- Carrier-class reliability and toll quality voice
- Architecture entirely based on Cirpack Class-5 SoftSwitch & PSTN gateways





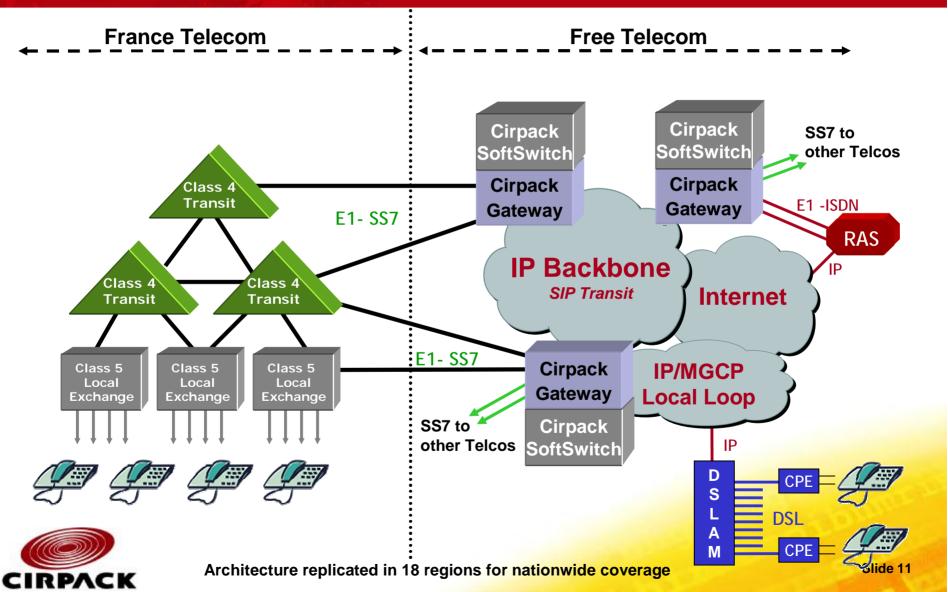
Free Telecom's Network in 2001





Free Telecom's Network in 2003





Impact of VoIP on the French Market

VolP as Primary Line is happening today

- Full unbundling with Number Portability to replace POTS primary line service
- ISPs will have over 1 million VoIP subscribers early 2005
- This success has dragged the entire market: the lesson is that if you want to win you'd rather shoot first, but only if the service is aggressively priced and available: need for the right equipment to support the strategy

VolP technologies are mature for large scale deployments

- Each Cirpack SoftSwitch handles 264,000 subscribers very smoothly (twice bigger than the largest FT switch)
- ISPs deliver more Class-5 features than traditional POTS
- Large scale VoIP deployments use MGCP or SIP, not H.323

Broadband must provide Double or Triple play services

- Data only is not sustainable: it must be packaged with voice or TV
- Voice is an incredible marketing incentive, for a marginal cost
- All DSL subscribers will get managed-VoIP as a standard service by mid-2005

The Killer Application = Price

- Unlimited national PSTN termination... at no extra cost
- Full unbundling and Number Portability... at no extra cost
- Free practically is 2x more expensive than broadband, but people think it's cheaper because it comes packaged

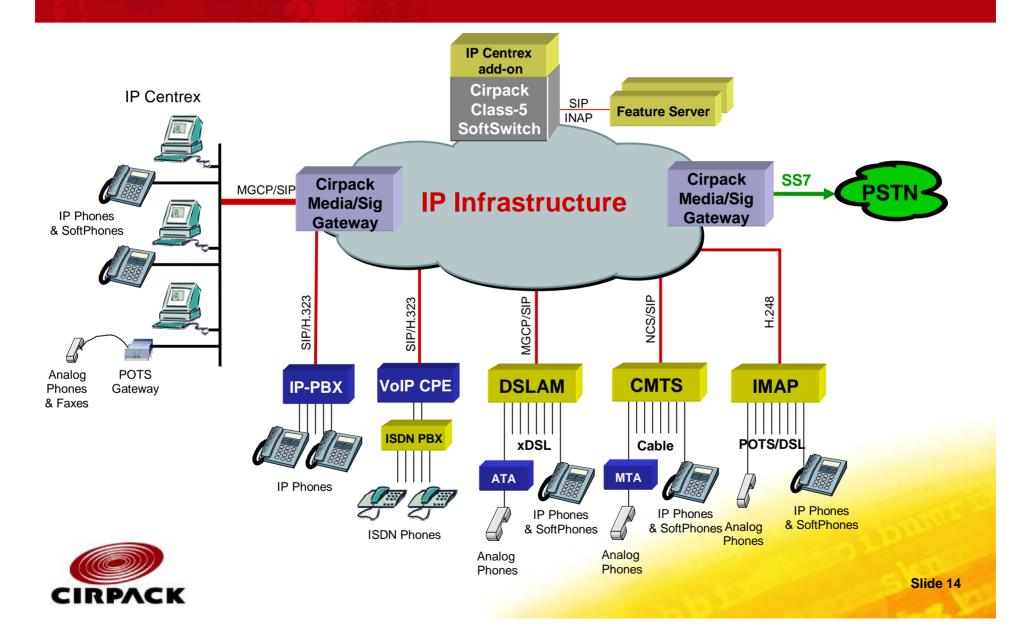


VolP is a Disruptive Business Proposition

- **u** Home users pay less for their telephony than business users
 - Residential users enjoys lower prices while have less traffic
 - SOHO are migrating to residential services
 - SMB are looking for an alternative
 - Telcos must re-think their business models
- è IP Centrex is a perfect solution for targeting SMBs
- u Incumbent and traditional operators must migrate their infrastructures
 - Legacy TDM switches are too expensive for a competitive service
 - VoIP and Next Generation Networks dramatically lower the cost of voice infrastructures
 - Cirpack Softswitches can manage hundreds of thousands of users at a very low cost
 - Cirpack platforms can also provide narrowband POTS/ISDN services
- is there still a business model for ITSPs that don't connect subscribers?

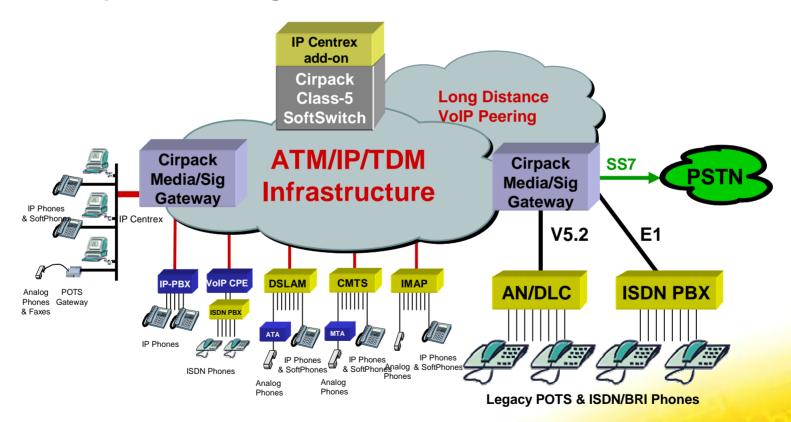


Delivering Advanced VoIP Services to All



Easy Integration of VoIP with an Existing PSTN

- **Leverages existing voice infrastructure**
- Same platform manages VoIP, IP Centrex and TDM services







- Switch to the alternative ! ™

Cirpack Technologies

Cirpack TN: Low Density Universal Class-4 Switch

Platform = CompactPCI Shelf

- Small footprint: 10U
- Redundant and hot-swappable CPU, hard disks, interface boards, power supplies, etc.
- 99.9998% availability (field proven)
- Carrier-Class Features

u Cirpack Transit Node

- Manages up to 200 E1s (mixed ATM, IP, TDM traffic)
- Delivers Class-4 services enabling complex transit solutions
- Can be upgraded to Class-5 services via simple software download
- Supports SIP, H323, ATM BLES, R2, ISDN, SS7, INAP... all simultaneously
- Fits in any collocation room with full fiber networks and mixed ATM, IP, TDM

u Target Market

- ASP, ISP and carriers deploying small POPs from 20 to 200 E1
- Operators looking at feature-rich, cost-effective and evolutive transit applications





Cirpack LEN: Low Density Universal Class-5 Switch

Platform = CompactPCI Shelf

- Small footprint: 10U
- Redundant and hot-swappable CPU, hard disks, interface boards, power supplies, etc.
- 99.9998% availability (field proven)
- Carrier-Class Features



- Manages up to 200 E1s and 20,000 subscribers (over ATM, TDM and IP)
- Delivers Class-4 and Class-5 subscriber services over any local loop
- Supports SIP, H323, MGCP, ATM BLES, V5.1, V5.2, R2, ISDN, SS7... all simultaneously
- Fits in any collocation room with full fiber networks and mixed ATM, IP, TDM

u Target Market

- Alternative service providers deploying access networks to connect subscribers
- The ideal Local Exchange switch for initial Class-5 deployments, from 20 to 200 E1
- Delivering POTS, ISDN BRI and PRI as well as VoIP, VoDSL, VoCable, VoWLL, etc.





Cirpack TN and LEN: Interface Boards



CIRPACK



u SDH with 21 / 42 / 63 E1

ATM AAL1 / AAL2 with 2048 DS0

u VoIP with 1024 DS0

U DSP with up to 16,000 MIPS









Grow the TN or LEN to a Class-4/Class-5 MultiNode

Cirpack MultiNode: Large Density Public Telephony Switch

- Up to 5 million BHCA, just by adding more Intel CPU ("pay as you grow")
- Up to 6,000 E1s (180,000 DS0) just by adding more Cirpack shelves
- Up to 264,000 subscribers handled from a single platform

u Components:

- Call Control = Cirpack/IBM HVS SoftSwitch
- Media/Signaling Gateway = The existing TN or LEN shelf
- Up to 32 local or distributed Cirpack shelves can be part of a Cirpack MultiNode





Cirpack/IBM HVS SoftSwitch:

- Multi Load Sharing Intel CPU with Linux OS
- 1+1 Redundant, High Availability drivers (99.999%)
- Manage IP, ATM and TDM services simultaneously
- Same software as Cirpack LEN and Cirpack TN
- Advanced Class-4 and Class-5 services







Cirpack Competitive Advantages

Cirpack Competitive Advantage

Strong ETSI Knowledge

European Customer base, European R&D

Strong TDM Knowledge

• Support for 30 SS7/ISUP and 40 ISDN variants, INAP, MAP, V5.1, V5.2, R2... simultaneously

Wide Packet-Telephony Support

- VoIP: SIP, SIP-T, MGCP, NCS, H323, Sigtran, H248 (end 2004)
- VoATM: AAL1, AAL2, BLES, ELCP

Class-5 Switches in Operation

POTS & ISDN over V5 as well as VoIP & VoATM generating revenues

u Carrier Class Product, 99.9998% Availability

Field-proven reliability, with pick traffic and complex routing

Scalability Demonstrated

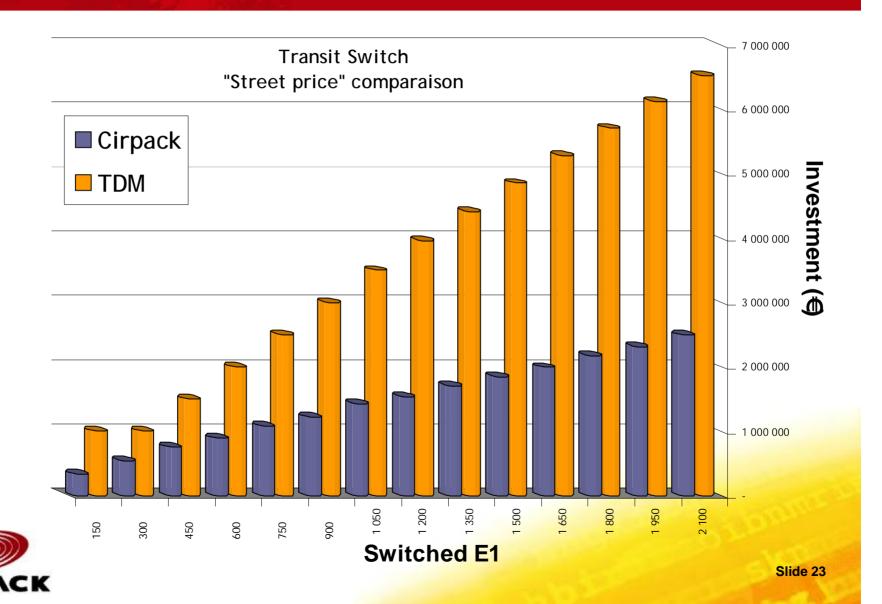
- Easy upgrade of features (Class-4 to Class-5 via simple software upgrade)
- Easy addition of customized features (time to market in weeks rather than months)
- Easy addition of capacity (from 8 to several thousand E1)

Open to Third Party Solutions

- Field-proven interoperability with IP Phones, IADs, Access platforms, Application servers, etc.
- Extensive ecosystem to promote best-in-class equipment and global solutions



CAPEX: Cirpack versus TDM



OPEX Details (1)

	Legacy Switch	Cirpack Switch
Maintenance Fee per year	Up to 30% of acquisition cost	Marginal
Software Fee per year	50 K€, 100 K€, …?	0 K€ No hidden costs
Facilities	50 to 100 m2 + white room	One 19 inches 10U rack = 250 E1
Training	Several weeks/months abroad (e.g. Nortel in Scotland)	One week in your premises



OPEX Details (2)

	Legacy Switch	Cirpack Switch
Installation Cost	A few months for several engineers and technicians	A few days for one engineer
Know-How	No transfer possible	Knowledge transfer thanks to Open Platform
VoPackets	External Voice Gateway required	Native support of IP and ATM, No need of Voice Gateway

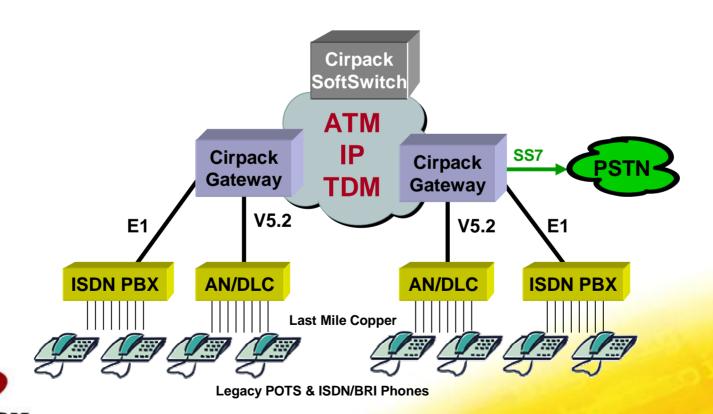




Narrowband Voice Solutions

Delivering POTS and ISDN Voice Services

- Legacy voice services delivered in a NGN environment
- **u** Full compliance with V5 and ISDN standards
- All relevant Class-5 services are delivered to subscribers



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Value Added Voice Services

Introduction to Service Platforms

u Definition

 Service Platforms deliver software intelligence needed to manage enhanced voice services tailored to the unique needs of an operator

u Examples

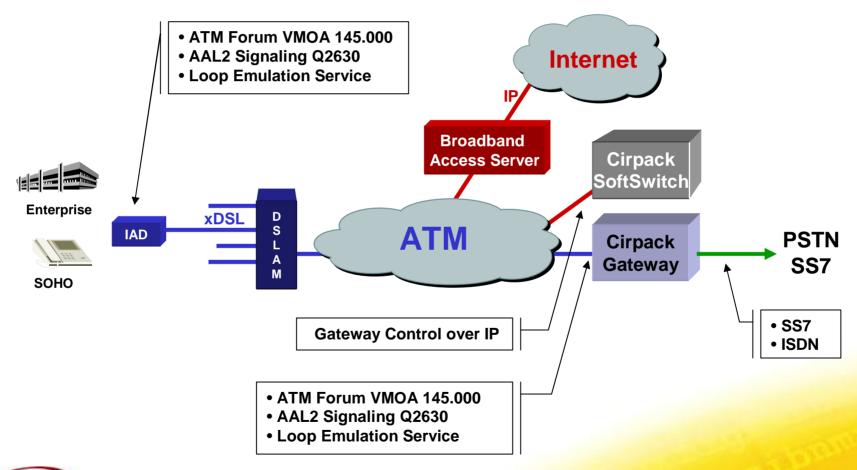
- 800/900 Numbers
- PrePaid/Post Paid Cards
- Voice Mail/Unified Messaging
- Self Provisioning
- Universal Number/Follow-Me
- Voice VPN
- IP Centrex
- Computer Telephony Integration (CTI)
- Automatic Call Distribution (ACD)
- etc.





VoDSL Solutions

VoDSL with Cirpack Switch





Wide Choice of Certified IADs

- Residential and Corporate (POTS, ISDN BRI and PRI)
- Modular and Scalable
- Certified with Cirpack V5.2 Gateway (TDM architecture) and Cirpack Class-5 SoftSwitch (NGN architecture)











































VoIP Solutions

Quick VolP Signaling Brief

u H.323

- Legacy protocol to deliver multimedia services over IP, including voice
- Wide choice of products and providers, but difficult to maintain in a public telephony environment. Poor control over users traffic and services delivered

u SIP

- Emerging protocol for opening multimedia sessions over IP
- Wide industry commitment, good standardization, many solutions are now shipping
- Poor control over users traffic and services delivered

u MGCP

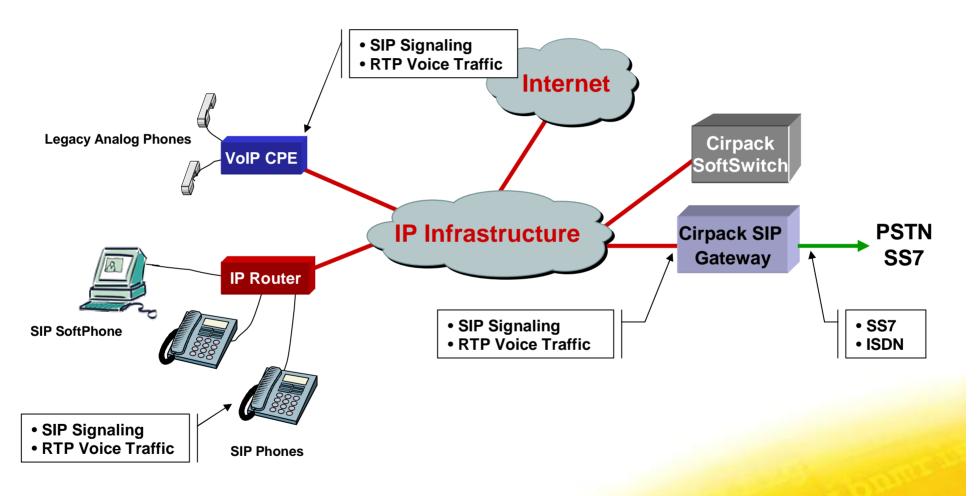
- Established protocol to control user ports over IP
- Wide industry commitment, good standardization, many solutions are now shipping
- Master/Slave behavior allows for strong control of users traffic and services delivered

u H.248/Megaco

- Modern protocol to control media gateways over IP
- Wide industry commitment, recent standardization, only few solutions available yet

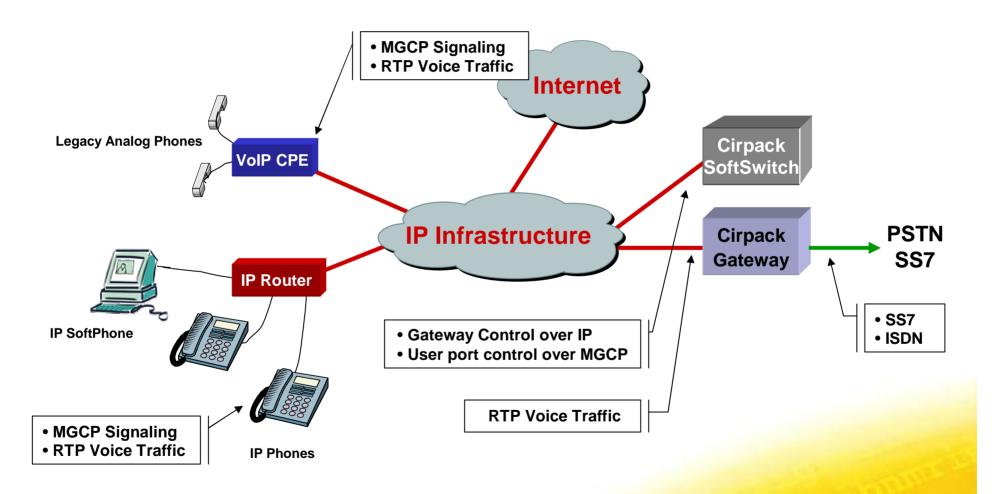


Delivering VolP Services Using SIP



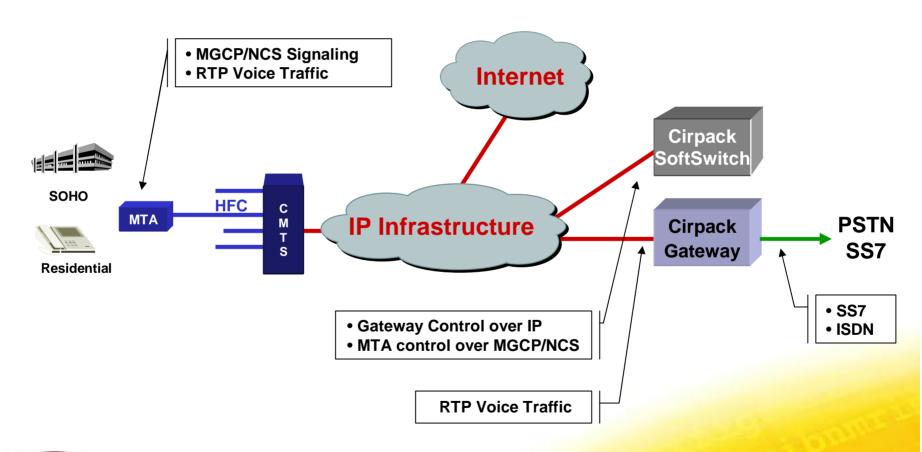


Delivering Managed VoIP Services Using MGCP/NCS





VoCABLE with Cirpack Switch





Wide Choice of Certified VolP CPEs, Phones and SoftPhones

- Residential and Corporate (POTS, ISDN BRI and PRI) u
- **Using SIP and or MGCP/NCS**
- With Ethernet Uplink or Built-in DSL/Cable Modem u







































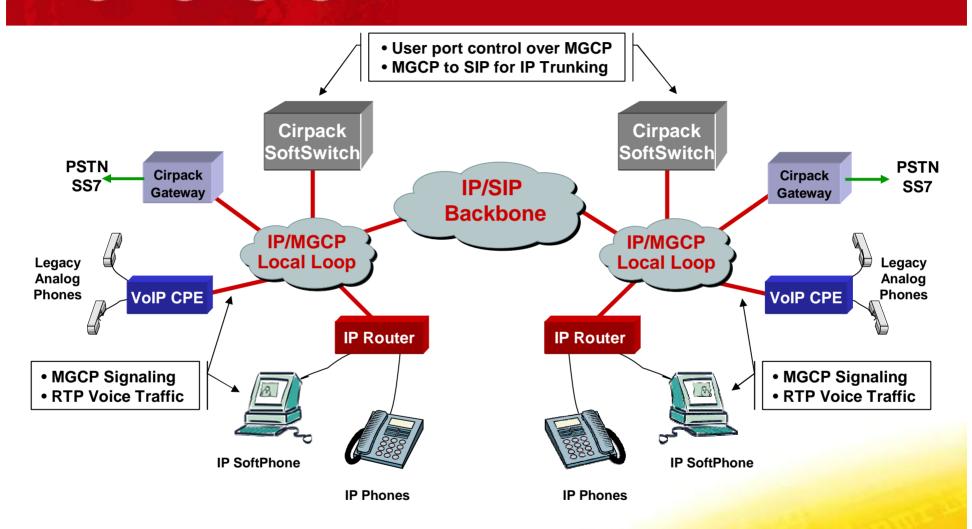








MGCP in the Local Loop, SIP in the Transit



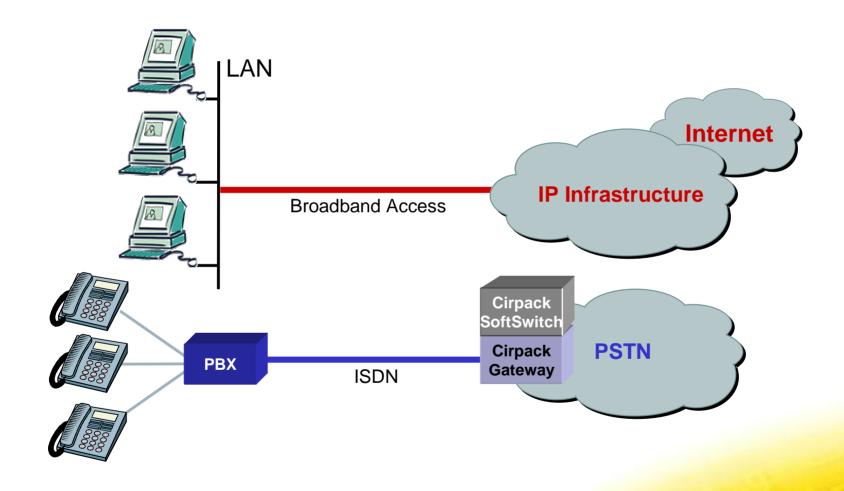


- Ø RTP voice traffic goes directly from MGCP CPE to Cirpack PSTN Gateway
- **Ø MGCP** is interworked to SIP by Cirpack SoftSwitch for trunking over IP backbone
- No useless IP/TDM/IP conversion in the backbone



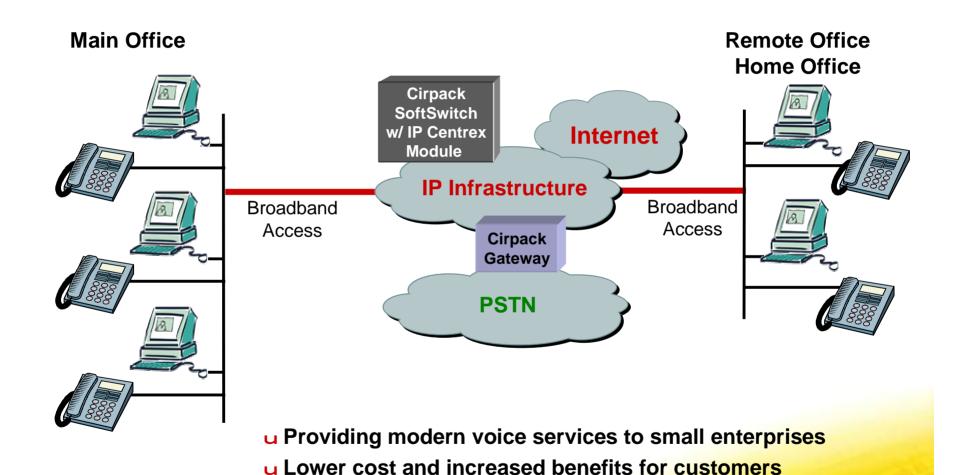
IP Centrex Solution

The Legacy Infrastructure





The Cirpack Infrastructure



u Higher ARPU for Telcos



Cirpack's IP Centrex Delivers PBX-like Features

A full set of field-proven telephony features

- Direct dial in (DDI) / Distinctive ringing
- Multi-line services: Call hold, Call waiting, up to 6-way calling, Conference service
- Abbreviated numbers / Speed dialing / Private dial plans
- Do not disturb / Call diversion / Call forwarding (CFU/CFB/CFNR)
- Last call redial (Inbound, Outbound)
- Caller ID (CLIP/CLIR and COLP/COLR)
- Call screening / Call blocking / Outgoing calls restriction / Automatic Night Services
- Call logs (Missed, Inbound, Outbound) / Message Waiting Indication
- Line supervision / Call interception / Hunting groups
- "Hot-desk" feature (login on the phone)
- Music on hold
- Emergency number, Lawful interception
- System Metering Detail Recorder
- Others...

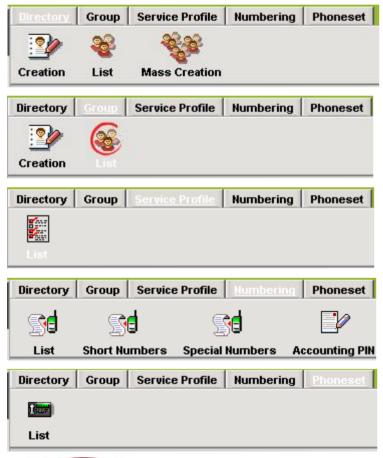
u Voice Mail

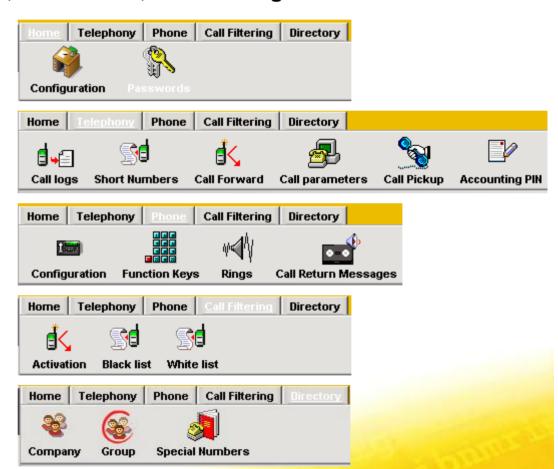
- Via a third party Voice Mail System (connected to the Cirpack switch via ISUP, ISDN or SIP)
- Third party platforms allow Unified Messaging and advanced Message Waiting Indication



Easy Web-based Administration

Provisioning tools for the Operator, the Reseller, the IT Manager and the User

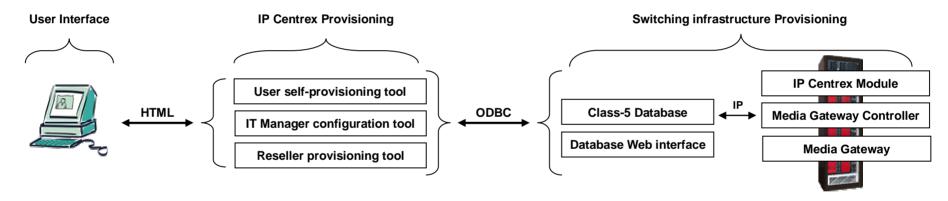






Cirpack's IP Centrex Provisioning Platform

- Provisioning tools adapted to each type of configuration
 - End-user self-provisioning (User tool, IT manager tool)
 - Operator set-up (Reseller tool, Wholesaler tool)



u Easy integration into existing provisioning platforms via ODBC





- Switch to the alternative ! ™

Thank you! Questions?