

# ExchangeAsia

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## China

### **Six go to three under massive telecoms revamp**

***China's six government owned phone companies will be reduced to three under a long expected government restructuring of its giant telecoms market that could lead to billions of dollars in new orders for foreign equipment suppliers.***

A joint announcement from the Ministry of Industry and Information (MII), the State Reform and Development Commission (SRDC) and the Ministry of Finance on 23 May said mergers were expected to take place as quickly as possible but gave no time frame. The plan is aimed at creating more robust competitors to China Mobile which dominates China's market with more than 400 million out of some 550 million mobile subscribers.

Under the plan China Telecom will acquire China Unicom's CDMA business and China Satcom. China Unicom will retain its GSM business and will acquire the smaller fixed-line operator China Netcom. China Mobile will take over China Tietong, a small fixed-line company set up by the Ministry of Railways.

A note from Fitch Ratings said the restructuring would help resolve the uncertainty that has surrounded the industry for years and that Fitch believed the move foreshadowed a 3G licensing regime in line with its expectations that each of the three restructured players would receive a 3G license. It said that remaining issues included the timing of the 3G license awards; the technology associated with each 3G license, and the impact of unfavourable regulation on China Mobile.

"While the competitive landscape of the telecom industry will dramatically change, the current imbalance in the industry pertaining to China Mobile's dominant position is unlikely to change, at least within the next 1-2 years," Fitch said.

The note added that, with an ability to internally fund large and increasing levels of capital expenditure on its network: "China Mobile sits in a better position, relative to its competitors, to take advantage of the ongoing fixed to mobile substitution trend and the rapid growth of subscribers in rural areas."

### **TD-SCDMA - "now live"**

***According to ABI Research analyst, Hwai Lin Khor China's home grown cellular standard TD-SCDMA is now live despite the fact that the government has yet to issue its 3G licenses.***

"After many years of research and development, and many trials conducted by China Mobile, the 3G service has made a 'soft' launch in eight cities including Beijing, Shanghai, Tianjin, Guangzhou and Shenzhen starting April 2008 on a trial basis," Hwai Lin Khor said. "To attract subscribers, China Mobile has also opened TD-SCDMA 'experience shops' in these major cities to allow the public to experiment with TD-SCDMA handsets and gain confidence with TD-SCDMA's capabilities."

Hwai Lin Khor added that, in order to make TD-SCDMA service an incremental upgrade from existing 2.5G subscriptions, China Mobile is understood to be charging TD-SCDMA subscribers monthly subscription fees of RMB50(\$US7)/month and RMB0.6(\$US0.09)/minute for video calls, while mobile Internet usage will be based on a flat rate with a capped usage plan.

Charges for voice calls, SMS, MMS and additional data traffic are maintained at the same rate as existing plans. Value-added services already available for 2.5G subscribers, including a wireless music club, mobile newspaper, and mobile wallet, are also accessible to TD-SCDMA subscribers at the same rate but with an improved user experience.

"China Mobile is planning to roll out 3G-specific services such as mobile TV, video sharing applications, video conferencing, etc. progressively during 2008," said Hwai Lin Khor. "ABI Research believes this price plan and service package will attract existing young subscribers to make the switch."

During this initial launch, 60,000 dual-mode TD-SCDMA/GSM handsets and 15,000 data cards will be on sale in China Mobile's TD-SCDMA experience shops, from popular brands such as Samsung, LG, Hisense, Lenovo, ZTE, and Postcom, ABI Research says. These handsets are in the mid- to high-end range with built-in camera, wide screen, and extensive multimedia applications. China Mobile is believed to be selling these phones for subsidised prices of RMB2,000 (\$US286) – RMB4,000 (\$US572).

"Now is when the real test kicks in," concludes Hwai Lin Khor, "gauging TD-SCDMA's performance under conditions of mass and varied mobility usage."

- **TD-SCDMA handsets now on sale**

Meanwhile China's Interfax news agency reports that China Mobile is allowing ZTE, Yulong, Samsung and LG to sell TD-SCDMA handsets direct to customers through its service centres in Beijing, Tianjin, Shanghai, Guangzhou, Shenzhen, Shenyang, Xiamen and Qinhuangdao. Previously, handset manufacturers had to bid to sell their TD-SCDMA handsets to China Mobile, which would then sell them to customers. Interfax quoted company spokesman, Liu Yi, saying: "The difference between the two methods is that the latter is geared towards handset trials, with many users having to sign an agreement with China Mobile to take part in the commercial trial if they wished to buy a handset. Now handsets are being sold without the obligation to take part in a trial."

## **Huawei increase focus on software**

***According to Ovum, Huawei Technologies has spun off its application and software division into an independent business unit, called Huawei Software.***

Ovum quotes Dr Che Haiping, head of Huawei software saying: "To achieve this, Huawei has designed Huawei Software with a relatively independent and flexible business operation approach. This allows us to proactively explore service convergence to assist operators successfully transform their business operations."

Ovum says that, in the past, Huawei's combination of highly skilled engineers and a low cost base gave it a significant competitive advantage. "However, rising costs and a stronger RMB currency have chipped away at this edge. Competing vendors have responded to Huawei's low-cost pricing by partnering and tapping into the same cost savings that benefit Huawei, such as relocating their production lines to developing countries."

Ovum adds: "Already highly successful in the China domestic market, the company has set about building a global business overseas, with the vision to become the world's leading vendor in end-to-end software products and service solutions for the convergent telecom market...Having a low-cost offer was not enough of a value proposition for Huawei to maintain growth; it needed other competitive edges to bring long-term value while achieving good profit targets and sustained profitability. Thus, Huawei Software carries the specific mission of providing value-added telecom software and services solutions to enhance Huawei's overall corporate strategy."

Ovum senior analyst, Cynthia Leung, said: "Moving forward, Huawei Software needs to define its role in media, advertising and entertainment and how it will exploit opportunities through strategic cooperation and joint ventures with major players. They have expressed interest to cooperate with industry peers, including competitors"

and third parties, to construct a service value chain that prioritises shared interests to improve end-to-end service integration and delivery.

"As Huawei appears in the telecoms software landscape and lowers the upfront cost of solution acquisition, smaller telecoms ISVs, as well as incumbent equipment vendors, will have to continually find ways to increase their business value and respond to Huawei's challenge."

## Hong Kong

### **PCCW to separate telecoms services and seek investors**

***PCCW is to split off its telecommunications services, media and IT solutions businesses into a new holding company, HKT Group Holdings Limited and sell off up to a 45 percent of the new company.***

In a statement, PCCW said the reorganisation would improve the operational efficiencies of the group and consolidate all components of its quadruple-play offering - comprising a range of media content and services across the four platforms of fixed line, broadband, Internet, TV and mobile - under a single holding company with a transparent and easily understood corporate structure which would facilitate a future listing.

It said the proposal to seek investment in the new entity was "intended to recognise the increases in the value of the group's core assets which have been achieved as a result of improving profitability, the," adding that it would "consider further the use of proceeds of such possible transaction which may include investments in further growth initiatives in telecommunications, media and technology."

The statement went on to say that the reorganisation "is complex and will involve requests for consents for the transfer of certain assets being made of a large number of third parties."

The reorganisation does not require approval by shareholders of the company under the listing rules of the Hong Kong Stock Exchange because it is an internal group reorganisation and there is no change of ultimate beneficial ownership of the assets.

## Japan

### **The Green Grid moves into Japan**

***The Green Grid - a global consortium of companies dedicated to advancing energy efficiency in data centres and computing ecosystems - has expanded its operations into Asia with a presence in Japan.***

It has formed two new Japan Work Groups and set up a formal relationship with Japan's Green IT Promotion Council. The group says the moves are in response to strong industry and government demand and are the first steps in expanding its presence into Asia. The new Japan work groups are expected to enable The Green Grid to establish a unique set of best practices, metrics and technologies tailored for locally-based organisations.

"The Green Grid is responding to a long and strong history in Japan to improve data centre energy efficiency," said John Tuccillo, director of The Green Grid. "The launch of these new work groups will position The Green Grid to make strategic, tailored recommendations to Japanese businesses and organisations, with the goal to promote a sustained increase in energy efficiency."

The Japan Data Collection and Analysis Work Group will report to The Green Grid's Technical Committee and is charged with collecting and analysing data from The

Green Grid's Japanese member companies and ensuring that consortium recommendations are tailored appropriately for Japan-based organisations.

The Japan Communications Work Group will promote the key findings of the Technical Committee to Japanese IT professionals including data centre managers, serve as a point of engagement for Japanese organisations interested in collaborating with The Green Grid, and support local marketing and IT energy efficiency events.

The Green Grid has also formalised a working relationship with The Green IT Promotion Council (GIPC) by signing a MoU that will enable The Green Grid and GIPC to work together to outline the information that they will exchange and the joint activities they will conduct to improve overall IT energy efficiency.

The Green IT Promotion Council's president, Tsutomu Handa, said: "The Green IT Promotion Council recognises global warming as a crucial challenge that must be taken on immediately, and we believe that epoch-making technological innovations will be necessary in order to harmonise our economic and social activities with the global environment. Recent government initiatives, a strengthening of partnerships among industry, government and the academy, as well as this collaboration with The Green Grid, typify the enhancement of relations with organisations overseas. And we have high hopes that through these efforts we will be able to make the concepts of 'energy conservation for IT' and 'energy conservation by IT' a reality."

### **NTT DoCoMo launches converged VoIP-via-cellphone service** ***NTT DoCoMo and its eight regional subsidiaries are to launch a service that will enable uses of its FOMA 3G handsets to connect to home broadband networks via wireless LAN routers, allowing mobile phone users to enjoy 54Mbps packet communication and VoIP.***

With Home U, Japan's first consumer service for fixed-mobile convergence, FOMA phones will be able to download large-volume data, such as video, with the speed and convenience of broadband. VoIP calls to other Home U users will be free of charge, and to non-Home U users will be 30 percent cheaper than normal FOMA charges.

Initially, the service will be compatible with the N906iL onefone, a mobile/W-LAN dual handset that will be sold from the day that the service starts. The monthly charge for Home U will be ¥1,029 (\$US10). No signup fee will be required.

### **NTT DoCoMo's handset blitz**

***NTT DoCoMo and its eight regional subsidiaries are to launch two new handset ranges, the 906i and 706i series comprising 19 handsets and 64 body colours.***

Features of the 906i series' eight handsets include 3G/GSM international roaming, upgraded GPS location information, HSDPA, 'One-Segment' mobile TV, 2 in 1, combining the capabilities of two phones in one, DCMX mobile credit card and iD mobile credit payments, VGA LCD screen and voice-to-text translation for Chinese, English and Japanese.

The 906i series also supports delivery of video content and services, including DoCoMo's music & video channel, which provides more than 100 channels of downloadable broadcasts spanning 14 genres, and the new video portal on the i-mode top screen, which offers a wide array of free, searchable videos and clips. The handsets come with upgraded full browsers to play Windows Media Video (all models except F906i) and Flash 8 (all models except P906i) content commonly available on PC websites, and can upload movies and images of up to 2MB.

The new 706i series, 11 handsets in all, "boasts slim, sophisticated designs and compatibility with 'One-Segment' mobile TV." The line-up, includes the Extra-Slim

One-Seg Phone (slimmest One-Seg phone available), the Waterproof One-Seg Phone, the Wellness phone that monitors diet and health, and the enhanced Easy-to-Use phone with improved user interface. Some models are also compatible with advanced services such as HSDPA and 3G/GSM international roaming.

- **Product of collaboration with KT Freetel**

NTT DoCoMo and KT Freetel are to jointly procure a 3G handset from LG Electronics. The handset is LG's WINE model. DoCoMo will sell the handset as the FOMA L706ie in Japan from August, while KTF plans to introduce the model in South Korea from September.

The project is one of the joint efforts realised by the Business & technology cooperation committee, which was established by DoCoMo and KTF to co-develop business opportunities by fusing technical and marketing expertise as world-leading providers of mobile services, as well as to seek cost-saving opportunities, such as the development of standard specifications for common equipment.

This is the two companies' second joint procurement, following an HSDPA data terminal released last year as the A2502 HSDPA by DoCoMo and the ADU-620WK by KTF. DoCoMo and KTF say they will "continue to explore joint-procurement opportunities to reduce handset procurement costs, and thereby increase competitiveness and improve customer satisfaction in their respective markets."

## India

**India's Reliance buys ailing UK virtual network operator, Vanco**  
*India's Reliance Communications' subsidiary, Reliance Globalcom, has acquired ailing UK based virtual network operator Vanco for \$US76.9 million.*

Vanco aims to compete with global network operators like AT&T, BT and Verizon without owning any underlying network infrastructure and, until recently, had been very successful albeit on a much smaller scale than the global players. A year ago it was named by Frost & Sullivan as the most promising service provider of the year in Asia Pacific.

When Vanco's woes became public in early May, Ovum predicted its demise and identified flaws in its business model but nevertheless predicted that it would continue to be viable: "The VNO model is here to stay, and after causing widespread disruption that has been healthy for the industry, it now looks as if the VNO has found its niche where commercial and technology centralisation and flexibility are the client's primary drivers."

Now, as part of the massive Reliance group which will be able to exploit considerable synergies with its existing businesses Vanco's virtual model looks set to be even more disruptive to the global network services business of AT&T, BT and Verizon, at least two of which were reported to have been in the running to buy the company.

Reliance, India's second largest telecoms operator, said that Vanco's existing longer term contracts would add \$US365 million revenues annually to its Globalcom unit. "The acquisition of Vanco is in line with Reliance Globalcom's vision to create one of the top five global data communications enterprises in the world," said Anil Dhirubhai Ambani, chairman of Reliance Communications.

Indian press reports, citing company sources, claimed that Reliance had beaten 12 other bidders including AT&T, BT and Cable & Wireless to buy Vanco.

Reliance Globalcom was formed in February 2008 to consolidate the global businesses of Reliance Communications, primarily the Flag global submarine cable

network and Yipes, a US-based managed ethernet services provider that was acquired by Reliance in mid 2007.

Vanco will fit well with Yipes' existing business and Reliance's global ambitions for it. At the time of the acquisition Yipes owned more than 22,000 route kilometres of fibre across 14 US metros, which covered around 40 percent of the total US datacom market, and was also present in London, Hong Kong and Tokyo. It had almost 1,000 enterprise customers and provided a mission-critical communications platform for entire industry communities. Reliance said at the time that it would expand Yipes' coverage within the US and take Yipes to nearly 40 new markets in the Middle East, Asia and India.

Vanco's managed network services are presently available in over 40,000 locations across 163 countries with 90 percent of its revenue from developed markets of UK, US, France and Germany. Reliance said that Vanco's customer base, which includes AVIS, British Airways, Siemens and Virgin Megastores, would increase Reliance Globalcom's enterprise customer base to over 1,400.

Vanco got into strife earlier this year running short of cash. It suspended its shares on the London Stock Exchange and founder and CEO, Allen Timpany was kicked out by the company's bankers as its financial woes deepened and Andrew Coppel, an executive with a track record of rescuing failing companies, was appointed chief restructuring officer.

In a statement Vanco said the principle reason for the suspension of its shares was "uncertainty about the results for the year ending January 2008. We are still operating within our [bank-provided credit] facility, but the headroom is limited. Notwithstanding this, the directors believe that, bar any materially adverse event, the company will trade normally and not breach the facility."

The Financial Times said at the time that the value of Vanco shares had fallen 80 percent in the past year as a result of investors' concerns over the rising disparity between Vanco's turnover and cash outflows. At the time of their suspension they were worth 64.25 pence, valuing the company at £41.5m (\$US82.5m) somewhat more than Reliance paid for the business.

Vanco's business model of providing global networks for multinationals without owning its own network infrastructure appeared to have been very successful: it buys circuits from other carriers as and when required and with its own network operations centres combines and manages these to meet the requirements of its clients.

However, according to consultancy Ovum, the model has a number of weaknesses which appear to have been Vanco's undoing. Firstly, "Global network economics is based on scaling up networks massively through big contracts," says Ovum. "BT and AT&T have both done \$1bn individual deals in the past year. Vanco only won its first \$100m plus contract early 2007, after 10 years in the market. Its 'just in time' network model means by definition it is not scaling up fast, but it is incurring costs up front, and it is not clear that cash flow is keeping up."

Secondly, Vanco must have difficulty keeping up with technical innovation compared with network-based telcos because it relies on the services they provide. Ovum suggests that this is especially an issue at present. "The telecoms industry is right now accelerating into a technological-advance phase, especially around applications management and local network (LAN) management. It may be the bankers have got wind of that - although that implies they are thinking a bit strategically a couple of years out, which is not typical of them!"

Thirdly, Ovum contends that managed services are people reliant - requiring the management of local resource on a global scale. "Whilst technology and commercial management can be centralised, local resource will always be distributed and that

requires people in numbers which Vanco could not provide. "In our view, the VNO model is suited to highly distributed organisations with light sites such as aviation, where the demands and sophistication of ticket desks are not that great compared to a professional services or manufacturing business."

### **Tata Teleservices to offer Assisted GPS services**

***Tata Teleservices will deploy a new location-based service that will be the first in India to use Qualcomm's assisted GPS (A-GPS) technology.***

The service will use Qualcomm's QPoint technology and gpsOne chipset technology and hosting services provided by TeleCommunication Systems (TCS). The service is expected to be available on multiple handsets in late 2008. TCS provides precise location technology for in-network deployments or via hosting solutions. For Tata, TCS will be hosting its Xypoint location platform that includes a position determination entity built using Qualcomm's QPoint technology.

According to Qualcomm, A-GPS technology will provide Tata with a differentiated LBS service because it improves on previously deployed cellular LBS services in both performance and reliability. Conventional cell-ID-based location services rely solely on base stations for positioning, which can result in less than optimal functionality in areas where cellular signals are compromised. Tata's A-GPS service combines triangulation from cellular base stations with satellite-based GPS for precise position location in both rural and urban environments, including inside buildings and structures.

Tata plans to work with the local developer community to create both consumer and enterprise LBS applications. Consumer navigation will include friend finder and social networking applications, while enterprise customers will be offered asset and fleet tracking applications.

## **Pan Asia**

### **Korn/Ferry links APAC offices with Verizon Business private IP**

***Korn/Ferry International has implemented a Verizon Private IP network to provide connectivity between its 17 offices across the Asia Pacific region and its Singapore administrative headquarters.***

Korn/Ferry is a global provider of 'talent management solutions,' with operations in 39 countries. According to Verizon Business its success relies on its consultants' ability to quickly and securely locate and share highly confidential information. It also delivers custom leadership-development solutions directly to its customers via a secure online executive centre.

"As Korn/Ferry's business has continued to expand region wide, it became clear that the firm could achieve cost efficiencies and optimise overall network performance by consolidating its resources with a single service provider," Verizon Business claims. Verizon Business completed the first phase of the private IP network rollout in March; additional sites will be brought online in the coming year and Korn/Ferry also plans to further consolidate its regional IT resources by co-locating its key IP telephony, e-mail and database systems within the Verizon Business secure data centre in Singapore.

Korn/Ferry was the first major US executive search firm to operate in Asia Pacific when it opened its doors in Tokyo in 1973. It now has offices in Auckland, Bangalore, Bangkok, Beijing, Guangzhou, Hong Kong, Jakarta, Kuala Lumpur, Melbourne, Mumbai, New Delhi, Seoul, Shanghai, Singapore, Sydney, Tokyo and Wellington.

## ITU issues WSIS 'stocktaking' report

***The ITU has released the WSIS Stocktaking 2008 Report, an update on the activities undertaken by governments, business, civil society and other organisations aimed at the achievement of the objectives and targets of the World Summit on the Information Society (WSIS) from end 2005 until mid 2008.***

WSIS was held in two phases, in Geneva in December 2003 and in Tunis in November 2005. Over 50 heads of state and government attended each of the two Summits and committed to building a people-centred, inclusive and development-oriented information society.

According to the ITU, governments submitted 3812 activities, representing 54 percent of the total number of submissions. International organisations were second, with 29 percent, followed by businesses, civil society entities and others. The report is available free of charge at: [www.itu.int/wsis/stocktaking](http://www.itu.int/wsis/stocktaking)

## Technology

### Cisco makes major mobility move with Motion

***Cisco has moved to capture a key role in the rapidly developing enterprise mobility market with a new architecture that enables mobile applications to be created using an open application interface, implemented via its new Mobility Services Engine which communicates with wireless devices - WiFi, WiMAX, cellular and RFID via their respective networks.***

Cisco sees the market for its new architecture, dubbed Cisco Motion, and the products that realise it as being driven by the increasing demands being placed on IT department to embrace an ever increasing range of mobile devices and applications of ever greater complexity.

"The proliferation of mobile devices, the need to unify multiple access networks and the demand for mobility applications has increased the drain on IT resources. Few IT organisations will see an increase in the resources required to meet these impending mobility demands," Cisco says.

Cisco sums up its architecture by saying that "IT must transform the wireless LAN into a mobility network by creating an open network platform capable of enabling the development of a broad variety of mobility applications designed to improve business agility and competitiveness.

"Such a platform requires an open interface to allow third parties to source network intelligence in a consistent way without compromising the security or performance of the production network. To achieve this, IT must abstract the services layer from the network layer. This approach allows for the delivery of mobile applications across access networks, including Wi-Fi, ethernet, cellular, and Wi MAX. Furthermore, this allows for the integration of a broader Internet of 'things' including passive RFID and sensor networks by bridging control and provisioning of these physical networks."

Cisco sees its new approach as addressing a fundamental weakness of current corporate WLANs: the wireless access point controller's primary role is optimising the performance of the wireless network to carry data: it is ill-suited to supporting an increasing burden of wireless applications.

"The WLAN controller's...primary function is to centralise the management and policy enforcement for network operations. The WLAN controller is not optimised as a service delivery platform. Existing controllers are designed to provide a high-performance data path and have only a modest CPU for control processing. At best,

they have limited memory and storage space and generally rely on an operating system that is optimised for data path control."

Cisco's Mobility Services Engine will have four initial applications - primarily for WiFi devices and RFID tags. According to Colin Bradley Cisco Australia's mobility expert, "It is effectively a next generation location engine. There are four major areas where we are looking to enhance that ability in the short term. The first is tracking: we are working with our traditional partners in the RFID space like AeroScout and Pango and people who use the underlying wireless infrastructure to enable them to track devices in a more flexible way. There is a lot of work being done with the RFID vendors to see what we can do now and where we can go in the future."

Security was once a major concern for WiFi network operators but new standards in recent years have addressed most of these but, according to Bradley, "Cisco believes there is much that can be done in the wireless intrusion prevention space and the MSE will have the ability to improve intrusion prevention."

It is also designed as a platform to support dual mode wireless devices - such as WiFi cellular devices - roaming between private WiFi networks and public cellular networks. Bradley said: "The first major focus of that will be 3G devices on 802.11 and doing that seamlessly." Cisco has for some time partnered with Nokia to integrate Nokia WiFi/3G handsets into its WLAN environment and Tom Furlong, senior vice president, Services & Software, Nokia said that Nokia was aiming to deliver automatic handoff to Cisco's internal Nokia Intellisync Call Connect users and other customers in its next software release.

The fourth initial application area is device management: providing more flexible and comprehensive means of remotely managing the increasing number of multifunction devices that are now being deployed in corporate networks.

Bradley said that most of the applications supported by the MSE initially could be implemented without it, but the task would be much harder.

## **Femto Forum members agree on interoperability**

***Members of the Femto Forum, the industry association that supports femtocell deployment worldwide have agreed on a number of principles for interoperability on the so-called Fa interface between femtocell access points and femto gateways.***

The Forum says that, while the agreement will not affect the numerous femtocell deployments planned in the short term, operators and vendors have agreed that a united approach in the longer term is essential.

The agreement provides for:

- A single definition of the Fa interface with specific modules defined for each radio technology to comply with existing standards;
- An architecture that, the forum claims, will deliver the best combination of features by building on available technology and recognised industry standards;
- A 'collapsed' architecture to be adopted that will place the NodeB/BTS and RNC/BSC functionality in the femto access point (FAP) to optimise signalling and performance over the broadband connection;
- Interfaces from the gateway to the core network to be developed using existing standards.

To aid its drive towards common practices, the forum has been accepted as a Market Representation Partner (MRP) with key industry standards bodies, 3GPP, 3GPP2 and has established cooperation agreements with the DSL Forum and the GSMA, in order to ensure that femtocells develop in a way that meets the needs of both mobile and fixed operators, while advising on how existing standards are affected and should evolve.

According to Simon Saunders, chairman of the Femto Forum. "The last three months have seen a dramatic change in the femtocell market – it has gone from being a vendor led initiative to being an operator driven reality. With a number of major operators around the world announcing plans to deploy femtocells in the next 12 months it is now very clear that they are in the driving seat. Our operator members have aligned their requirements for integrating femtocells into networks in the longer term, and the result is that the vendors and operators are now working together to establish best practice for interoperable protocols that will be used for the different types of mobile networks."

- **Femto Forum expands membership**

The Forum has also announced a number of new members that it says already active in the working groups. These include: 2Wire, AirWalk Communications, AT&T, China Telecom, Hay Systems, Juni, mimoOn, Motive, Nortel, Percello, Reliance Communications, SafeNet, SigNav, SK Telecom, Sprint Nextel, Telenor, T-Mobile International, T-Mobile US and Wipro Technologies. It says that operators now comprise close to 40 percent of its membership, and they represent over 810 million subscribers.

- **PicoChip announces chips for LTE femtocells**

UK chip maker, picoChip says it has produced the first femtocell and picocell reference designs conforming to the specifications for LTE, the 3GPP 4G architecture: the PC8608 Home eNodeB and PC8618 eNodeB respectively. It says that both products can be combined with its HSPA products and run on the same common hardware platform as its WiMAX reference designs. picoChip claims to be the only company shipping femtocell silicon, to Ubiquisys, ip.Access and a number of tier one OEMs.

## **LTE will boost IMS, says ABI Research**

***The IP Multimedia Subsystem has been around for some time, and many infrastructure vendors have invested heavily in developing IMS capabilities, solutions and products, but market acceptance has been slower than expected.***

Now, according to ABI Research, with the 4G standards LTE and WiMAX taking shape, the IMS platform has been given a new role and a niche that will carry it a considerable distance into the future. This, says ABI, is because some elements of IMS such as the Home Subscriber Server (HSS) and the policy and charging rule function (PCRF) are also key components in the LTE core architecture. Similar elements are also defined in WiMAX. These elements are required to enable the end-to-end QoS and dynamic charging capabilities required for the next generation of mobile data services.

According to ABI Research senior analyst Nadine Manjaro. "Many operators and vendors are now moving to an open applications architecture: Sprint has mentioned it in reference to its application strategy and uses IMS as the base architecture for its High Performance Push to Talk (HPPTT) network scheduled to launch in June 2008. Nokia mentioned open devices and applications as a key initiative in its migration strategy. IMS will help to ease the transition to open development, and will be a fundamental part of future LTE and WiMAX networks."