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Singapore

Axia & SingTel chosen to build next gen access network

The Singapore Government has select the Axia Networks-led OpenNet Consortium to design, build and operate the passive infrastructure for its next generation broadband network.

OpenNet's other members are SingTel, Singapore Press Holdings and SP Telecommunications. The NetCo Request-for-Proposal (RFP) was launched on 11 December 2007 and closed on 5 May 2008 with proposals from only two consortia: Infinity and OpenNet.

OpenNet will now design, build and operate the passive infrastructure for a network capable of delivering speeds of up to 1Gbps and beyond. The Government will provide a grant of up to \$S750 million to NetCo to support the network rollout.

OpenNet is expected to work closely with the Infocomm Development Authority of Singapore to provide the necessary network information for OpCo RFP bidders to finalise their bid submissions, which are due on 14 November 2008.

OpenNet will wholesale access at \$S15 per month per residential fibre connection and \$S50 per month per non-residential fibre connection to the operating companies or OpCos. To encourage premise owners to connect their homes and businesses to the network, OpenNet is required to waive installation charges for home and building owners when the network first reaches their premises.

Under a universal service obligation, which will take effect from 2013, OpenNet will also fulfil all subsequent requests to install fibre termination points in homes, offices and buildings.

OpenNet has proposed that it will deploy and own all the fibre optic cables and offer wholesale dark fibre services to downstream operators on a non-discriminatory basis as set out in the RFP.

OpenNet will make use of relevant existing underlying passive infrastructure assets, such as ducts, manholes and exchanges, belonging to its partner, SingTel, to facilitate the deployment of its fibre network.

Independent AssetCo to own SingTel's CAN assets

As part of OpenNet's proposal, SingTel has committed to transfer these underlying assets to a neutral party within 24 months of the NetCo's contractual and financial close (CFC). The CFC will take place within seven months. The neutral party, called the Asset Company or AssetCo, will be an independent and separately managed company. It will be owned by a registered business trust or will be structured in a similar manner to be approved by IDA.

SingTel, as a member of OpenNet, has also committed to reduce its stake in this AssetCo within five years of the CFC and seek the relevant shareholders' and regulatory approvals, where required.

As part of the successful close of the RFP, SingTel is also required to submit to IDA for approval, a detailed implementation plan on the formation of the AssetCo and subsequent partial divestment of its relevant underlying assets.

When he announced the RFP in December 2007, the minister for information, communications and the arts, Dr Lee Boon Yang, said that the government viewed effective open access through a structural and/or operational separation as being key to the achievement of a vibrant and competitive next generation broadband market. Announcing its choice of OpenNet, the government said: "The RFP has achieved this

outcome...Nevertheless, government will continue to consider the need for legislation to entrench effective open access in this market over the long term.

Lee also said: "Today, we have arrived at a significant milestone for Singapore. The Next Gen NBN propels Singapore to the forefront of broadband development internationally. Soon, Singaporeans will be able to enjoy a richer broadband experience with more choices and at affordable prices. Businesses, large and small, will find it cheaper and easier to access ultra high-speed broadband, and be able to use infocomm more extensively to boost productivity and competitiveness. The Next Gen NBN will be a strategic enabler that will transform the way we work, live, learn and play. "

SingTel launches Wayfinder locations services

With the launch of the Blackberry Bold, SingTel has decided to incorporate Wayfinder Navigator as a value-added service targeting busy executives and frequent travellers.

Wayfinder claims that the launch of its services in Singapore takes its cooperation with Bridge Alliance to the next level. Bridge Alliance is a consortium of eleven Asia Pacific cellular operators that includes SingTel and Bharti Airtel and whose members serves 205 million customers and offer frequent travellers value added services across members' networks.

According to Wayfinder, "the substantial growth of location based services and applications are still yet to come. Independent analysts estimate that more than 100 million mobile phones with GPS as standard will be launched in 2008. In 2011, the number of subscribers of location based services is expected to reach nearly 300 million."

India

Government urged to improve spectrum valuation

Rajeev Chandrasekhar, MP from Bengaluru and president of the Federation of Indian Chambers of Commerce and Industry (FICCI) has written to India's prime minister urging the need to have an open market based method to establish value of spectrum allocated to the private sector.

His initiative is the result of Swan Telecom's valuation creating jitters and leading to questions being raised on the low pricing of \$US2 billion by the Department of Telecom for Swan's 3G spectrum.

Chandrasekhar said in his letter that spectrum was an asset of the government and the people of India and must be commercially compensated at the market value when it was being transferred to another entity or company.

"The [Swan] transaction clearly established irrefutable evidence that the government's pricing was far lower than the actual market value causing considerable loss to the exchequer," he claimed.

"There is need for a comprehensive public policy when it comes to commercial terms of monetisation of public assets like spectrum, minerals and natural resources so that the exchequer gets its due," he added.

Chandrasekhar pointed out that the arbitrage between the value that the government was receiving for spectrum and the actual market value was to the tune of around Rs80 billion (\$US1.72b) to Rs90 billion (\$US1.94b) . On a base price of nationwide spectrum at approximately Rs15.40 billion (\$US3.3b), this was an appreciation in the hands of the private sector of almost 600 percent in a few months, Chandrasekhar claimed.

uReach opens Indian office

Mobile messaging technology company, uReach Technologies has opened regional headquarters in Gurgaon, India to support the value-added services initiatives of wireless, wireline, and broadband carriers throughout India.

"The mobile communications industry continues to experience double-digit growth in India, outpacing many other parts of the world," said Krishnamurty Kambhampati, CEO of uReach. "Our strategic investment here will allow us to provide carriers in India with the same level of excellence that we provide elsewhere in the world."

uReach delivers a wide range of communications applications on its converged services framework. It claims that "applications for social networking, user generated content, mobile and landline calling and messaging all coexist in a carrier class environment that cost-effectively scales to multi-millions of subscribers."

The company claims to be the leading provider of lifestyle messaging solutions for service providers. Its Converged Services Framework "offers a standards based and IMS-compliant approach for uniformly deploying value-added voice and data services across wireless, wireline and IP properties quickly, economically and in-scale."

uReach's mobile media and web, visual voicemail, unified messaging and one-number solutions run exclusively on open systems and are claimed to be "improving the way millions of consumer and small business subscribers around the world communicate every day."

China

Cisco first IT senior sponsor to Shanghai World Expo

Cisco is to become a senior sponsor of the Shanghai World Expo 2010.

The international exposition will explore the potential of urban life in the 21st century with a focus on innovation and interaction. Under the sponsor agreement, Expo 2010 will use Cisco technologies "to support a high quality, personal experience and interaction for visitors, customised to their individual needs and interests."

Cisco is the first IT senior sponsor for Expo 2010 for data networking. In alignment with Expo 2010's theme of "Better City, Better Life," Cisco will share its experiences in sustainable urban development from around the world and will provide Shanghai World Expo with core network equipment and products and services represented by Cisco TelePresence, WebEx web conferencing and Cisco Unified IP phone.

Cisco will also participate and contribute to the exhibition pavilion and demonstrate innovative technologies for sustainable urban development and digital city.

The organisers of the Shanghai World Expo 2010 have attracted more than 200 nations and international organisations to take part in the exhibition and expect 70 million visitors from China and abroad, which would be the largest attendance in the history of world expositions.

"With Cisco's sponsorship, all participants of Expo 2010 will be able to enjoy access to a cutting-edge communications platform," said Ms Zhong Yanqun, party secretary general, deputy director of the Bureau of Shanghai World expo.

"Cisco's vision of the 'human network' resonates well with the theme of Expo 2010, which is to propose a roadmap for sustainable urbanisation model for countries all over the world, especially in China," said Jim Sherriff, chairman and CEO, Cisco China. "Cisco is committed to our long-term goals in China for long-term goals around innovation and sustainable growth. Cisco will also continue to support our joint target with China to promote a favourable future of life experience and urban development."

Japan

Softbank to roll out first 3G IMS femtocell network

The femtocell 'industry' had taken a significant leap forward with the announcement of plans by Japanese mobile operator Softbank to launch, in January 2009, the world's first commercial 3G IMS based femtocell network using equipment from NEC and femtocell access points from Ubiquisys.

According to NEC, "Softbank Mobile completed development of a commercial system in June of this year and has already begun trials."

NEC says its IMS-based femtocell system is configured with an SIP server to independently control communications from femtocells. "The system distributes transmission load across the entire mobile network, regardless of the traffic load, and helps prevent congestion as femtocells spread and traffic increases."

It adds that: "The IMS framework is also compatible with backbone networks migrating to IP-based networks, and therefore facilitates the construction of all-IP networks for broadband, fixed and mobile communications. As the system is also highly compatible with service delivery platforms, new business is anticipated in the future from the linkage of femtocells with home servers."

NEC's femtocell access point employs the Ubiquisys ZoneGate access point as the result of a strategic collaboration signed in February 2007 to deliver femtocell solutions worldwide. Earlier this year market researcher ABI Research named UK based startup Ubiquisys as the leading developer of 3G femtocells for the second year running.

ABI's Femtocell Equipment Vendor Matrix evaluates femtocell vendors by innovation and by implementation. Stuart Carlaw, ABI Research's vice president and research director, said: "Our research shows that Ubiquisys continues to maintain a leading position due to a number of reasons which include the commercial readiness of its product and the strength of its partner and operator relationships."

Key role for femtocells in LTE rollouts...

Earlier this month, ABI forecast that femtocells and picocells would form an integrated part of the initial rollouts of LTE. Senior analyst, Nadine Manjaro, said: "In most parts of the world, LTE will be deployed using higher frequency bands. Higher frequencies penetrate structures less effectively than low frequencies, so femtocells and picocells offer an attractive way to compensate for lower indoor signal strength and provide LTE's touted bandwidth. Our forecasts show an upswing in femtocell and picocell penetration that coincides with the expected LTE deployment timeframe."

She added: "We will see some macro network deployment of LTE, but not to the same extent that we saw with previous technologies. I think a large portion of it will be deployed via femto and picocells alone, with macro deployments following later. Some observers even suggest that all LTE deployments will initially use femtocells alone."

In Europe and other regions, according to ABI, LTE will operate in the 2.6GHz band, although in the US it will largely be found in 700MHz range, and in China TD-LTE will be most likely be deployed in the 1880-1920MHz and 2010-2025MHz bands, so the need for femtocells may be considered less pressing in those areas.

...And in 'aggressive' WiMAX deployments

Meanwhile Unstrung says that WiMAX network operators are likely to rely heavily on deployment of femtocells as part of "any aggressive rollout of mobile WiMax networks and services."

Pakistan

Pakistan Telecom to offer prepaid calling in Europe, via Freshtel *Australian company, Freshtel Holdings, has signed a deal with the Pakistan Telecommunication Company Limited (PTCL) to provide prepaid calling services in the UK and Europe.*

PTCL will launch, under its own brand, a version of Freshtel's prepaid calling service which allows users to pay for call credit online using credit cards or via vouchers and make calls over a fixed line, mobile or Internet telephone. All calls made using the service will be routed through Freshtel's network.

Freshtel will provide the network, payment and account management interface and customer support for the service which will be marketed and distributed under the PTCL brand. Freshtel will receive an annual licence fee to establish and manage the service and revenue from calls made using the service.

Freshtel says there are more than one million Pakistanis living in the UK and Europe and that the UK the pre-paid calling market is estimated to be worth more than £500 million (\$US920m) per annum.

New Zealand

US hedge fund lobbies TNZ shareholders on director nominations *Elliott International, a \$10b US hedge fund and three percent Telecom NZ shareholder, has stepped up its pressure to have two independent directors of its choosing elected to the Telecom NZ board as part of its attempt to get Telecom NZ to structurally separate.*

Earlier this year, Elliott put forward Mark Tume, from Wellington, and Mark Cross, from Auckland, for election at the forthcoming AGM on 2 October. James Smith, a portfolio manager at the fund, explained the move by saying: "For almost a year we have been trying to talk to Telecom about some of our ideas and concerns regarding the affairs of the company. Telecom's share price has been in decline over the past few years and once again, following disappointing year end results, its share price is around a fifteen year low.

The offer, and Elliott's plans for the company were rejected by the Telecom NZ board, so now, with the AGM looming, Elliott has written to all shareholders encouraging them to vote for Tume and Cross and setting out details of what it says is Telecom NZ's poor performance over the past. It has also launched a website, www.newdirectionstelecom.co.nz, to "provide information about board nominees Tume and Cross and about the voting process for the AGM."

Elliott notes that: "The current size of the board at seven members - out of a maximum of 12 - is relatively small for a company of the size and strategic importance of Telecom," and claims that "appointing directors with financial and investment experience will add capacity and depth to the board at a time when those qualities are much needed."

Crucially, if it can get sufficient shareholder support, Elliott can get its chosen candidates nominated for appointment, despite opposition from the current board. It notes that "The NZSX listing rules specifically allow for shareholders to nominate directors at an annual general meeting, in order to encourage mixed boards constituted by both shareholder and board backed directors...All four directors [two board and two Elliott candidates] can be voted onto the Telecom board (resulting in a nine member board), but a nominee must receive a majority of the votes cast at the AGM to win appointment to the board."

It notes that only two members of the current board - chairman Wayne Boyd and CEO Paul Reynolds - will have registered addresses in New Zealand once Patsy Reddy retires. (Both its nominees are New Zealand residents active in New Zealand businesses).

Telecom NZ's poor track record

Elliott identifies several performance criteria against which Telecom NZ has performed poorly:

- Its share price is at a 15-year low;
- EBITDA has declined at an average rate of five percent over the past four years, despite steady revenue growth;
- Telecom has lost almost 15 percent of its retail market share on its own network over the past five years;
- Telecom's share of the overall mobile market has declined from almost 57 percent to 47.5 percent since 2001 (assuming a two player market with Vodafone);
- Telecom's financial results have under-performed compared to its Australian peers, Telstra and Optus, over the past four years;
- Telecom admits that profits will fall over the next two years;
- Telecom has become one of the lowest valued integrated telecom companies in the world.

Vocus expands into New Zealand

Australian wholesale voice and Internet provider, Vocus, has announced plans to expand into New Zealand and will offer its international SDH, ethernet and IP transit products to the New Zealand market from November 1, 2008.

The company is building its Auckland PoPs based on Cisco's ONS 15454 SDH switches and says they will bring a significant Internet capacity increase to New Zealand and the country's first native IPv6 transit service.

Vocus has already signed a multi-year, million-dollar international IP transit deal with New Zealand backbone operator, FX Networks enabling it to deliver seamless Trans-Tasman private ethernet services from major cities in NZ to major cities around Australia. Another customer is Melbourne based Telarus which is the first Australian company to have purchased a New Zealand international ethernet service from Vocus.

Telecom NZ launches wholesale bitstream service

Telecom NZ Wholesale has launched the first of what it says will be a series of next generation broadband products to telecommunication service providers.

"Enhanced Unbundled Bitstream Access has been successfully trialled with both CallPlus and South Island ISP Snap and is now available to other service providers," Telecom NZ said. It will be available nationally where Telecom has deployed ADSL2+. Telecom NZ claims that 56 percent of fixed line broadband customers are served by ADSL2+ and says that this will increase to more than 80 percent in the next three years.

Enhanced UBA includes a channel dedicated to real-time IP traffic - such as voice or video - and a second channel specifically for Internet services. It will initially be available in two variants with real-time channels of 40kbps and 90kbps. Two more variants will be added in early 2009. All will be available with an optional analogue phone service.

Philippines

ECI Telecom to supply broadband access gear to PLDT

ECI Telecom, an Israeli provider of networking infrastructure solutions, has signed an agreement for the supply of broadband access solutions to the Philippines Long Distance Telephone Company (PLDT).

ECI's Hi-FOCuS-5 multi-service access node (MSAN) central office and outside plant equipment was chosen to support PLDT's nationwide expansion of high-speed Internet DSL services for business and residential customers .

According to ECI Telecom, it will provide PLDT with the optimal transition path to a next-generation network solutions as it looks to deliver new services such as IPTV and VoIP in the future.

"We have been successfully deploying ECI's transport solutions for the past ten years. As we build our next generation offering of services, we are counting on their support to provide us with the needed flexibility during this migration," said Rodante T Medina of PLDT.

ECI claims that the Hi-FOCuS MSAN is the only product in the market that simultaneously supports xDSL, next-generation voice and fibre technologies in any network architecture, enabling seamless evolution as network operators transition from copper-based solutions to broadband intensive services supported by fibre access.

Pan Asia

Verizon Business first on Trans-Pacific Express cable

Verizon Business has become the first carrier to offer services on the new Trans-Pacific Express cable network connecting the US with mainland China, South Korea and Taiwan.

According to Verizon Business, its multinational customers with IP, data and voice communications traffic moving onto this cable system will see immediate benefits as a result of the additional capacity, greater physical diversity, reduced latency, improved performance and seven-way mesh network diversity.

According to Verizon Business, for the first time, individual customers can access a cable system at wavelengths of up to 10Gbps directly from the US to China, Korea and Taiwan and, in the next phase, Japan.

Verizon Business says that one of the most sought-after benefits of TPE was reduced latency. "When we designed this submarine cable system, we sought the shortest direct physical paths between locations," said Ihab Tarazi, vice president of global network planning for Verizon Business. "This cable minimises the physical distance for direct connectivity to China, South Korea and Taiwan, and provides route diversity away from Japan, where many other submarine cables land today."

Physical diversity and mesh architecture

According to Verizon Business, in addition to the physical diversity of the TPE submarine cable route, customers also will be able to take advantage of its meshed architecture which provides rerouting of traffic to alternate paths within 100 milliseconds in the event of a cable cut or network disruption.

"Verizon Business is the first to offer seven-way trans-oceanic mesh diversity across both the Pacific and Atlantic oceans. The company's mesh network in northern Asia includes physical node diversity in major cities, coupled with backhaul and cable system diversity to provide superior survivability during network issues," the

company said. Mesh nodes were recently installed in Hong Kong, South Korea and Taiwan. Japan was already included in the Pacific global mesh network.

Verizon Business teamed up with China Telecom, China Netcom, China Unicom, Korea Telecom and Chunghwa Telecom to build the 18,000-kilometre cable system. With a minimum 80 wavelengths per fibre TPE has the highest wave-density of any submarine cable in the world at this length.

ITU tips 61 percent mobile penetration by year end

The ITU is predicting worldwide mobile cellular subscriber numbers to reach the four billion mark before the end of this year.

According to the ITU, "Since the turn of the century, the growth of mobile cellular subscribers has been impressive, with year-on-year growth averaging 24 percent between 2000 and 2008. While in 2000, mobile penetration stood at only 12 percent, it surpassed the 50 percent mark by early 2008. It is estimated to reach about 61 percent by the end of 2008.

"The fact that four billion subscribers have been registered worldwide indicates that it is technically feasible to connect the world to the benefits of ICT and that it is a viable business opportunity," said Dr Touré. "Clearly, ICTs have the potential to act as catalysts to achieve the 2015 targets of the MDGs."

While the data shows impressive growth, the ITU stresses that the figures need to be carefully interpreted. "Although in theory a 61 percent penetration rate suggests that at least every second person could be using a mobile phone, this is not necessarily the case. In fact, the statistics reflect the number of subscriptions, not persons.

"Double counting takes place when people have multiple subscriptions. Also, operators' methods for counting active prepaid subscribers vary and often inflate the actual number of people that use a mobile phone.

"On the other hand, some subscribers, particularly in developing countries, share their mobile phone with others. This has often been cited as the success story of Grameen Phone in rural Bangladesh."

According to the ITU, the impressive growth in the number of mobile cellular subscribers is mainly due to developments in some of the world's largest markets. The BRIC economies of Brazil, Russia, India and China are expected to have an increasingly important impact in terms of population, resources and global GDP share. These economies alone are expected to account for over 1.3 billion mobile subscribers by the end of 2008.

China surpassed the 600 million mark by mid-2008, representing by far the world's largest mobile market. India had some 296 million mobile subscribers by end July 2008 but with a relatively low penetration rate of about 20 percent, India offers great potential for growth.

Market liberalisation has played a key role in spreading mobile telephony by driving competition and bringing down prices. India's mobile operators increasingly compete for low-income customers and average-revenue-per-user in India has reached around \$US7, one of the lowest in the world.

Global Payments launches Asia-Pacific mobile payments

Global Payments Asia-Pacific, a joint venture between The Hongkong and Shanghai Banking Corporation and US-based Global Payments Inc, has introduced a secure GPRS-powered mobile payment service called Global MobilePay that provides mobile card acceptance capabilities for merchants in the Asia-Pacific region.

The service is available in Brunei, China, India, Malaysia, the Maldives, the Philippines, Singapore, Sri Lanka and Taiwan and Global Payments claims to be one of the first payment processors to launch an extensive mobile payment solution for merchants across Asia.

"Through Global MobilePay, Global Payments now provides a comprehensive package that includes a mobile payment terminal, SIM card and GPRS network connectivity through a telecommunications partner, as well as payment processing services," it claims.

Pacnet to offer Riverbed WAN acceleration

Pacnet in Hong Kong has launched an application acceleration service based on Riverbed Technology's Steelhead appliances and Steelhead Mobile client software. Pacnet claims that the combination of its network and the Riverbed technology will enable enterprises to accelerate the performance of some applications by up to 50 times.

Pacnet CEO, Bill Barney, said: "As multinational enterprises need to support a more geographically dispersed workforce and a greater number of users and devices accessing applications across their network, the challenge is to improve the user experience. This new service is specifically designed to help enterprises address this challenge by providing a solution to manage, monitor and accelerate performance and expand scope of applications across their network."

Pacnet will supply the Riverbed hardware and software as part of managed end-to-end service a part of its suite of managed services which includes managed router and managed firewall services. The company said the new service would be "delivered across key markets in Asia," but did not name any specific markets.

Telstra joins Cable and Satellite Broadcasting Association of Asia

Australian carrier, Telstra has joined the Cable and Satellite Broadcasting Association of Asia (CASBAA) as a corporate member.

CASBAA also announced that global English-language news channel Al Jazeera International had upgraded its membership from corporate to patron status and global executive search specialist Russell Reynolds Associates had joined as a corporate member. CASBAA now claims to directly represents 25 Asia Pacific digital cable, IPTV and DTH platforms and more than 55 pay-TV domestic and multinational pay TV channels.

Mid ocean launch for Google-backed O3b broadband satellites

The first 16 satellites of O3b, which is planning to launch a network of medium earth orbit satellites to provide broadband backhaul services for ISPs and cellular network operators in developing countries, will be launched on a Russian rocket from a platform in the middle of the ocean starting in late 2010.

The Sea Launch Company will launch the 700kg satellites, eight per launch, into an equatorial orbit 7,825 kilometres above the earth on board a Zenit-3SL rocket using a new purpose-built multi-spacecraft dispenser. The satellites are expected to have a lifetime of ten years.

O3b Networks - backed by Google, Liberty Global and HSBC - unveiled earlier this month its plans for the system, promising that it would deliver "fibre performance over satellite at prices comparable to fibre" enabling ISPs and telcos in developing nations to deliver "cost-effective voice and broadband services at speeds equivalent to those enjoyed in the developed world."

Motorola Mobile Devices revamps marketing team

Motorola has appointed Jennifer Bridges as national marketing manager, Motorola Mobile Devices, South-Pacific.

She was most recently the marketing director responsible for bringing into Australia Intralot, the world's second largest lottery company, and before that was regional marketing manager at Telstra for WA, SA and NT. She replaces Steven Amiet who has been promoted to national sales manager, Motorola Mobile Devices Australia & Pacific Islands. Both will be based in Australia.

Technology

Extreme Networks raises the bar for metro ethernet switches

Extreme Networks has released a new metro ethernet switch with 120Gbps per slot bandwidth and a price per port around half that of its nearest competitor.

According to Extreme Networks, "The BlackDiamond 20808 switch enables the lowest total cost of ownership for metro ethernet transport by slashing capital expenditures while minimising operational expenditures. With a list price of under \$US5,800 per 10 GE port the BlackDiamond 20808 switch provides a dramatic reduction in provider capital expenditures."

According to Extreme, the product is the highest capacity system presently available with 120Gbps per slot bandwidth, 64 10Gbe ports per chassis and 192 10Gbe ports per rack. Future upgrades will take total capacity from 2Tbps to 5Tbps with 40Gbe and 100Gbe interfaces.

Extreme claims that the bandwidth per line card is more than double that of competing products from Juniper (MX960), Alcatel-Lucent (7450) and Cisco (7600).

Extreme continues to tout the benefits of PBB-TE and PBT based metro ethernet solution over MPLS for metro access networks, claiming that MPLS represents "routers applied to switching" and that the layer three software involves complexity and features that are not used. "Unlike router-based metro architectures which require complex provisioning by highly trained engineers, operational expenses are reduced with the BlackDiamond 20808 switch thanks to the operational simplicity of Layer 2 solutions," it claims.

"In order to drive better profitability, service providers are looking to increase the average revenue per user while lowering the cost of delivering services," said Peter Lunk, senior director of service provider marketing, Extreme Networks. "In order to do that, they need an alternative to the complex and costly model of extending MPLS to the edge. Ethernet transport is the clear choice for economical metro packet delivery and the BlackDiamond 20808 switch at the metro core offers the right mix of value, capacity, scalability and protocols to deliver more profitable business, residential and mobile backhaul services."

Extreme's claims of having the lowest price per port are backed up by IDC which issued a product flash to co-incide with the launch of the product. "Perhaps most stunning [aspect of the new product] is the price per port Extreme is offering upon introduction; \$US5800 per 10Gbe port at list price," IDC says. "And while we are not privy to all port pricing in the industry, for products in this market space, this clearly about half the current list price offering."

IDC adds: "Individual vendors will apply increasingly large discounts off these list prices depending on geographic areas, so all we have compare to is the public list price."