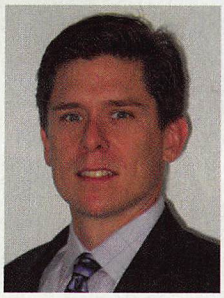

By Hunter Newby

Here Come The Deals!

The growing legions of the VoIP Peering believers marched in to Fort Lauderdale in January to mark the first anniversary of the Summit, and it was standing room only. The mood was most certainly different from last year when there were more theories at work than practical applications. This time some of the VoIP Peering service providers that were relatively new to the game had something to show for their efforts — announced deals. One such innovator is XConnect/Kayote Networks. They recently announced that they were selected by a group of cable companies in the Netherlands to provide VoIP Peering services including call security and number mapping for PSTN bypass. This is a step in the right direction for many people and for many reasons.

This move by the MSO's is big for XConnect, so congratulations! As big as it is for them it is even bigger for VoIP Peering in general. Although there have been other announcements by carriers, MSO's and enterprises using number mapping this marks the first time a group of service providers came together to make a decision of this kind.

That action by the MSO's has several benefits. It shows that a group with common goals (a community of interest) can work together towards a technical achievement that's tied to an OPEX savings outcome. This step is not limited to MSO's. It can include many different service provider types as well as enterprises. Their collaboration also paves a road for others to follow in the actual technical steps they took. In the same way the CableLabs RFI outlined the questions several US MSO's wanted answers to, the Netherlands MSO's have gone that route and a step further to a decision. This saves the next group some time and creative thinking energy as it is always easier to follow what someone else actually did and raise the probability of being successful.

In addition to all of this, the physical network interconnection points and method they chose for the signaling and media sheds some light on how this will work in other parts of the world. The Netherlands is not a vast expanse of geography and this works in favor of networks there. The country naturally eliminates most of the potentially high costs to build networks by not being too large and this has helped the MSO's build their businesses in separate regions without spending a lot of capital. As a result, the MSO's chose to interconnect their networks at the Amsterdam Internet Exchange (AMS-IX) where they each already had a network presence. This was very logical. It's the meeting point.

The AMS-IX is one of the largest IP Peering facilities in Europe and the largest in the Netherlands. It is housed within and distributed between four physical sites. Two of them are University owned properties, known as SARA and Nikhef, and the other two are Global Switch and Telecity sites. They are major European colocation facility operators.

The reason why the AMS-IX is necessary is that the MSO's need a way to actually carry, or transport, the calls between each other, something XConnect does not provide. They also have the specific intention of not using the public Internet as the transport mechanism. The MSO's looked at using their existing connections in to the AMS-IX peering fabric because it made sense to use the infrastructure that was already carrying their other IP traffic. Since this particular application is VoIP it can be easily carried across the AMS-IX and, since all of the MSO's are in the Netherlands and bring their own access to the physical AMS-IX interconnection points, there were no network disparity issues that would have otherwise required local loops. The MSO's are now able to use the distributed Ethernet fabric to send calls between their switches from one end user origination point directly to another end user termination point. This replaces the incumbent telephone company, KPN, PSTN end to end. The Netherlands is becoming one big WAN.

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Interconnection sites like these have grown up over the years by accumulating the necessary and relevant fiber and access providers. Once critical mass is achieved there is really no going back. Now that the key sites around the world are established it is a matter of education and awareness to the community at large.

A significant investment on the part of dark fiber providers to build in to these common points was made because that is where the majority of the original fiber and copper in the respective major cities was predominantly located. This, in turn, built the business case and made it quite logical for the

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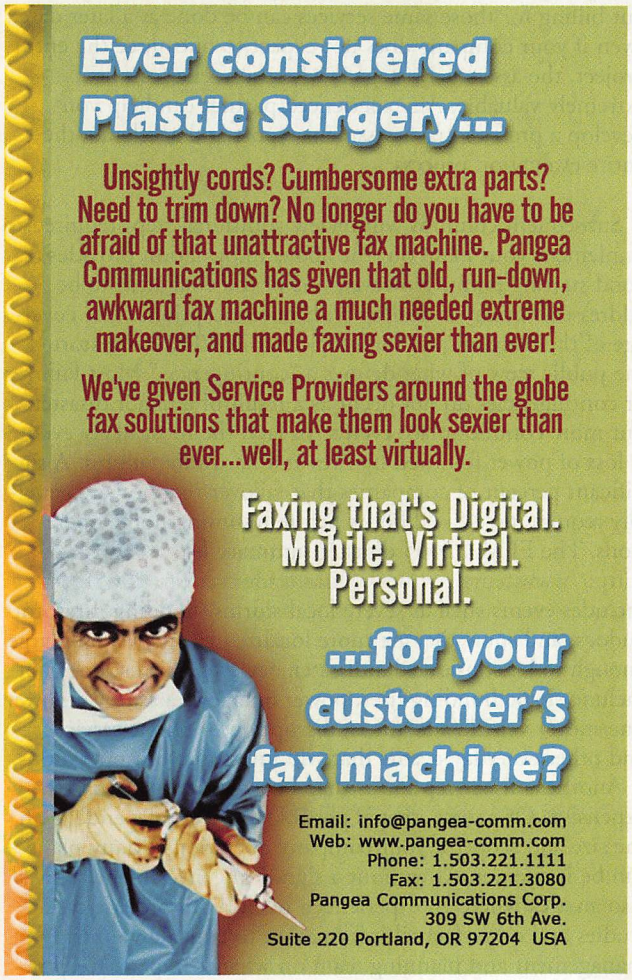
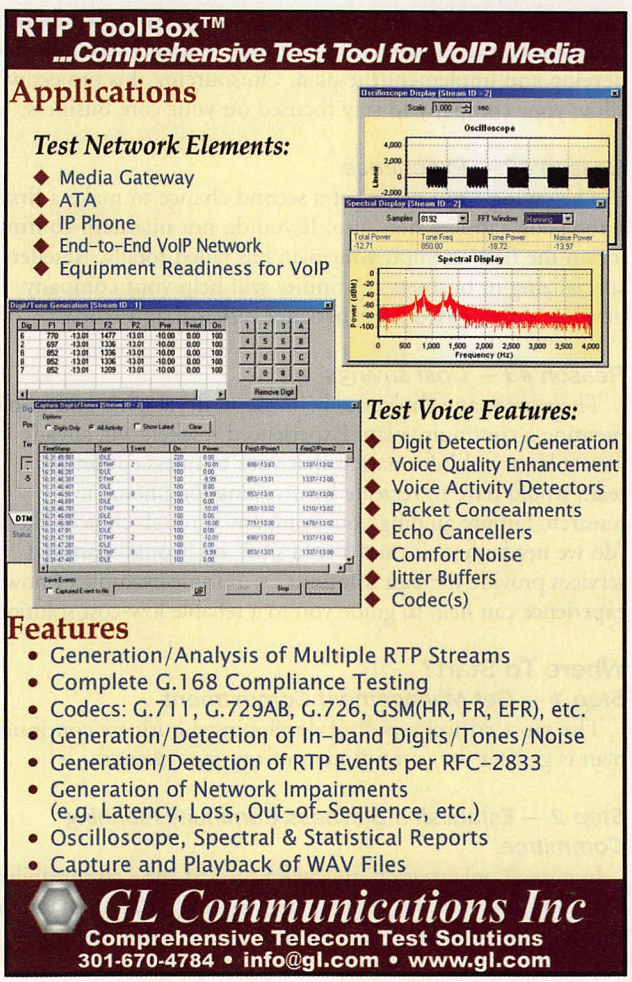
carriers and cable companies in those regions to choose to put their equipment there as well. Once the first few took the initial steps it was much easier for the rest to follow. Today, there is no better place to go in these regions for peering connectivity.

This is a pattern that began to unfold in the physical layer over the past 15 years. When deregulation came to the major regions of the world, investment followed. The first round was facilities-based transport and TDM voice providers. Those newly funded carriers all needed a home for their networks. Common points make logical sense because they create beneficial proximity and eliminate the costs, time, and issues related to disparity. The next round was the ISP's and they followed a very similar pattern of seeking the common address in most parts of the world.

This same exact pattern is now unfolding with VoIP with an added twist on top of the physical address. That twist is that the next-gen transport world of Ethernet is ushering in the users of the melded legacy voice service now being delivered over IP and not necessarily over the Internet, such as the case at the AMS-IX. The technology is being efficiently combined in the place where it makes the most sense to do so, where everything else already is.

This process has been documented and it helps the next wave of users achieve their goals without having to reinvent the wheel. The faster everyone understands this and sees these places for what they truly are — marketplaces — the faster everyone will begin to appreciate VoIP Peering and the efficiencies that these service providers bring to the market. In the same way that the Carrier Hotels and the Internet Exchanges around the world bring the benefits of proximity, clarity and a defined process at layer 1, the VoIP Peering service providers do the same in the higher layers for the application of voice. These services are evolving at exactly the right place and time that they should be. Now it's time for VoIP networks operators to start to take advantage of them.

All in all, ITEXPO was once again an excellent event. Many relationships were fostered and a lot of good, accurate information was disseminated. For those believers of VoIP Peering out there it was a rewarding experience to begin to see acceptance of the concept in actual use. There is still a ways to go, but let's keep getting the word out! IT

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