

Pick the right package

HUNTER NEWBY ASKS WHAT SORT OF MEET-ME ROOMS CARRIERS SHOULD LOOK FOR.

NEXUS

Carriers need to interconnect. What is the good of a network that has no ability to connect to you, or for you to connect to it? This need to connect is the fundamental principle that enables interconnection facilities, or meet-me rooms to exist. But network operators should beware, what at first looks like the best, or only place to be, can end up looking like the last place you would ever want to be.

In today's carrier-level internetworking world foreknowledge of accessibility to customers and the associated costs is crucial. The value of an interconnect facility in a carrier hotel is very heavily weighted by four main components: carriers with an actual network presence there today; the interconnection policy, whether it is a neutral facility; options for getting connected to carriers not currently there; costs associated with the different types of intra-facility, inter-building connections. A facility and building that has several carriers and gives its tenants the ability to connect to each other in the most sensible and economical way is of the highest importance.

Most interconnection facilities look the same. What is different is the policy and pricing that wrap the package.

There is a large difference between the monthly cost for leasing a cabinet and the ability to connect other carriers. In some facilities the low monthly lease cost on the space is appealing, but why is it so low? An empty facility defeats the purpose of carrier co-location. Sometimes it is worth paying more for a cabinet in a facility that has the carriers you need to connect to in the same facility.

What about the different policies that govern interconnect facilities? Imagine you are investigating a new tier one market. The big carrier hotels and interconnect facilities within them have been established by now. You need somewhere to locate your equipment and have low cost, high quality, time efficient access to carriers. You want to be where you get the most for your money.

You begin doing site tours in your new tier one target market and see some empty facilities and some populated with a healthy mix. The cabinet rental costs vary.

Some buildings have facilities within them that are deemed to be the place where all interconnections happen. A thorough inspection of this facility will give you the information necessary to assess whether or not it contains the carriers you need, regardless of

any building designation. Beware the “because we said so” and “your choice is only us” providers. The “build it and they will come” days are over. Now it is “show me”.

There is always the potential for conflict of interest. Your best interests as a tenant are not always what your landlord has in mind. In this relatively new, loosely defined, standardised policy-lacking industry there are many ways to conduct an interconnect operation. On the surface the story may sound good, but eventually the tune your landlord sings may not be what you want to hear.

The most common example of a less than optimal interconnect facility is a carrier's own co-location space. Carriers originally built co-location facilities to assist the sale of their own network services. In many instances the buyer needs a place to put its equipment. In an attempt to control the installation process the carrier built the colocation, or data centre space to meet this need. This is a nice fit for the buyer if it only needs to connect to one carrier – the landlord. But you're stuck if you want an alternate provider, or a direct interconnect to another carrier tenant in the facility. The carrier's business is not to sell colocation space, or provide open interconnection to its competitors, it is to sell its own network services.

Another example of landlord policy affecting your business are interconnect facilities earning sales commissions from carrier tenants. A service provider looking for a home wants the most for its money. A great place to get new business is the facility where its network is located.

If the facility operator is acting as an agent for one or more of the service providers offering the same service you offer there may not be much revenue for a new entrant. The operator will try to protect its commission revenue stream and not promote a carrier not paying a commission.

While you are on your journey you might end up asking yourself a question. Why not go to a neutral facility that treats everyone fairly and equally and lets tenants buy and sell between each other directly based on their own costs and quality? In today's market service providers need all the help they can get.

For more reading on meet-me rooms please visit Telcap's searchable archive where you can locate articles from *Capacity's* back catalogue at www.telcap.co.uk