Pipeline

Knowledge Is Power

NewsWatch
By Alana Grelyak

Oh, the wonderful month of May! And what does it hold for us in the world of telecom news? RIM seems to be doing exceptionally well while Nokia isn't quite where they'd like to be. Time Warner Cable is trying to test out some new ways of charging for internet usage, but they're being met with opposition from New York Democratic Representative, Eric Massa. Sun got scooped up by Oracle, and AT&T's U-Verse TV subscriptions climb ever higher. Read on to find out more. We hope you enjoy your latest edition of NewsWatch!

Time Warner Cable, with its plans to test out having consumers in Rochester, New York pay per gigabyte for internet usage, is meeting some opposition from New York Democratic Representative Eric Massa, who, at the time of our publishing, is drafting a bill to ban such a maneuver from occurring. Some of Massa's comments point to the fact that Time Warner Cable, as a utility company, cannot justify increasing rates in such a manner. Will this bill pass? If it does, it will certainly put a damper on pay per usage internet fees, at least in New York, which will likely have an influence on companies across the United States. And if it doesn't pass? Chances are that consumers will slowly see an end to unlimited internet access. Those of us that remember the early days of the internet (which is probably most of us) may remember paying almost $10 per hour of overage usage. While future restrictions may not be quite that expensive, they will certainly put a damper on the high-usage customers and, with the growth of internet movies and data sizes getting larger, those high-usage customers may eventually be all of us. Is it possible for ISPs to find a way to avoid such charges without taxing their own internal resources? Let's hope so, or we may end up going backward to the days of AOL and Prodigy where everyone was charged by the hour.

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AT&T reported a record 284,000 AT&T U-verse TV subscriber net additions in the first quarter, sending the total number of U-Verse TV subscribers over 1.3 million. This sends the number of subscribers to AT&T Advanced TV services (including bundled satellite TV services) to more than 3.5 million. This is yet another indicator of the growth of telco-based video service, even in this trying economy. Those interested in these developments, and others in the telco TV space, should check out Pipeline's June issue, which will highlight the present and future of the telcos' TV efforts.

Arantech, a provider of CEM consultancy services, has just been acquired by Tektronix, a worldwide provider of Communciations Test and Network Intelligence Solutions. How will such an acquisition be beneficial? "Addressing the customer experience gap is a critical component of the Arantech strategy and managing this gap is a top priority for carriers," said Rich McBee, President, Tektronix Communications. "Together, the two companies will offer the most innovative, scalable customer experience management and monitoring solutions available today. By managing and optimizing the network from the customer perspective, carriers will be able to proactively build enhanced loyalty, strengthen their brand and increase revenue." Sounds like a win-win situation for both parties and, hopefully, consumers. Arantech will continue to operate as a stand-alone line of business.

Openet has recently announced its official entry into the world of cable. The move comes after two years of behind-the-scenes work with cable providers. Openet is offering scalable solutions to cable providers across converged networks, and hopes to be just as successful in this market as it feels it is in the wireless space. "Openet's pedigree of innovation in the telecom space solidly positions us to provide scalable, intelligent cable solutions that capture value across converged networks," said Marc Price, Vice President of Technology and Chief Technology Officer of the Americas at Openet. "With consumers watching every penny, cable providers need to deliver value through personalized and interactive services. The Transactional Intelligence provided by this new set of solutions is designed to enable that, and cable operators will reap the benefits."

It looks like the original owners of Skype, Niklas Zennstrom and Janus Friis, are trying to put together some funding to buy the service back from eBay, which purchased it in 2005 for $2.6 billion. EBay, around the same time, decided to announce that it was going to offer an IPO on Skype, after a realization that Skype and eBay don't integrate in any particularly useful ways. Skype, itself, is quite a useful standalone application (as I'm sure many of our readers would attest to), and stock players may want to keep an eye on this situation. Who knows what Skype could turn into if controlled by a major telecom player…

Amdocs scores another win as they have been selected by Clearwire Communications LLC, a subsidiary of Clearwire Corporation, for a multi-year agreement for the license and implementation of Amdocs CES 7.5 products and managed services. "As Clearwire continues to expand our nationwide mobile WiMAX network, we are investing in proven technology to enable us to launch new products quickly and deliver a powerful customer experience," said Jeff Pearson, vice president of information technology for Clearwire. "By partnering with Amdocs, we will deploy an integrated platform to support a growing customer base and to collaborate more effectively with our wholesale partners." This is just the latest in a fairly constant string of Amdocs

customer wins. It makes one curious to know if Amdocs has even noticed the bumps in the economy…

Oracle also has some good news on the product-usage front. United Online, a provider of consumer products and services over the Internet, has upgraded to the Oracle® E-Business Suite Release 12. Why would they do such a thing? Probably because they felt like it was an excellent maneuver. "United Online relies on Oracle every day to manage vital financial information and procedures, automating accounting processes to keep our financials in strict order," said Craig Williams, Technology Director of Business Applications, United Online. "The newest version, Oracle E-Business Suite Release 12, incorporates the pressing technology needs our global organization requires to keep the business foundation strong and flexible. With the help of Oracle Consulting, the upgrade was fast, easy and comprehensive, enabling our organization to drastically change accounting across the entire corporation in less than three months, driving business value."

In other exciting Oracle news, the company has purchased Sun for $7.4 billion. With said acquisition, Oracle, a known software vendor, takes another step into the hardware market. With the purchase, Oracle is now in possession of Solaris and Java, the latter being the platform over which the Oracle Fusion Middleware has been built. "The acquisition of Sun transforms the IT industry, combining best-in-class enterprise software and mission-critical computing systems," said Oracle CEO Larry Ellison. "Oracle will be the only company that can engineer an integrated system – applications to disk – where all the pieces fit and work together so customers do not have to do it themselves. Our customers benefit as their systems integration costs go down while system performance, reliability and security go up." Sun's Board of Directors unanimously approved the transaction, which is expected to close this summer. (By the way, in Greek mythology, the Oracle at Delphi was the mouthpiece of Apollo, who was the god of, among other things, the Sun. This is one story in which a Classics degree and a business degree go hand-in-hand.)

TMForum announced the release of MTOSI 2.0, a "Multi-Technology Operations System Interface" that is meant to simplify integration by providing all the specifications needed throughout the development lifecycle. MTOSI 2.0 packages the widest range of management interfaces in an integrated suite, including functions in the Business Process Framework (eTOM), Resource Management and Operations (RM&O), and Service Management and Operations (SM&O) areas. You can see MTOSI 2.0 in action when Chunghwa Telecom, in cooperation with Telcordia, demonstrates its use of the product at Management World 2009 in Nice.

RIM had excellent results in Q4 due to the BlackBerry Bold and BlackBerry Storm handhelds, which helped increase revenue 84% and allowed RIM to build its own "BlackBerry App World," where subscribers can download plenty of applications for their BlackBerries. Q4 ended up far exceeding initial expectations giving RIM good hope for an excellent Q1, boosting its stock prices. This is yet another indication of the ever-increasing demand for multi-use handsets, and CSPs should take care to ensure that their OSS/BSS systems can match the demands of customers sporting these newfangled gadgets.

On the other hand, Nokia's Q1 results say that their operating profit decreased 96% from Q1 in 2008. Olli-Pekka Kallasvuo, Nokia's CEO, stated in the Q1 report that, in regards to "the health of the overall mobile device market, the inventory already in the sales channels decreased substantially during Q1 due to extensive destocking by operators and distributors. This adversely impacted our sales volumes in the quarter. However, it has also resulted in the demand picture becoming more predictable as we enter the second quarter."

On April 14, the IMS Forum announced the formation of a new BSS/OSS and Security Working Group. This group will focus on the operation and management of converged IMS/NGN applications and services delivered over wireless (3G, LTE), wireline (DSL, optical) and cable broadband. It will ensure that converged applications and services will have timely and complete support from provisioning, billing and management systems. HP will chair the group, supported by vice-chairs Comverse and Mu Dynamics. "We have learned through the course of our last 6 Plugfests that billing, OSS, and security play an integral role in the successful implementation of integrated communications services," said Michael Khalilian, Chairman and President for the IMS Forum.

And for those of you keeping track of show successes, The Cable Show 2009 has reported their attendance numbers. Despite preshow announcements that they expected a 20% attendance drop from last year, the final attendance tally turned out to be 12,209, with a total of twenty OSS/BSS companies present on the exhibit floor.   This ended up being a slight increase over the official 2008 attendance of 12,100.