

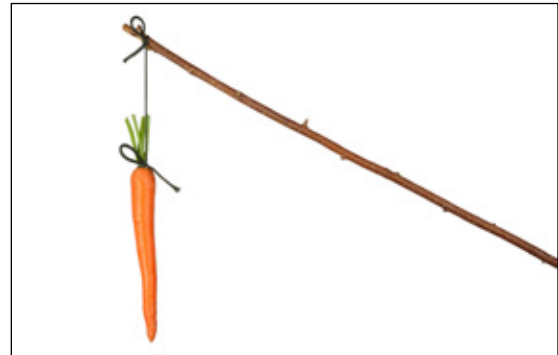
AT&T on VoIP

By Matthew Clark and Tim Young

Oh, what a journey it has been for VoIP. There was a time, not all that long ago, that VoIP was considered by many to be a novelty. Then it grew into a low-cost, over-the-top option with reliability issues, before becoming more and more ready for primetime. It became fully disruptive when cablecos and the aforementioned over-the-top plays began to use it to chip away at voice market-share, and now it has reached the sort of maturity that didn't seem feasible in the past.

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Now, years after industry watchers began lamenting the death of the voice revenue and the billable minute, telcos have begun to fully embrace VoIP.



Furthermore, with shrinking revenues and unit sales and the advent of 3G (and now 4G), mobile carriers are also beginning to embrace VoIP for fear of losing shares if they miss that boat.

Yet, this naturally presents a problem. Voice applications were by and large reprobrates of not only land-locked companies, but of the smartphone carrier's whose application access had opened the door for blockage and capacity maximization. If the closing decade is marked as one of explosive growth of VoIP—in 2005 breaking the \$1 billion revenue mark—then the new decade is poised to be one of innovation and finding a home for the rouge technology in mobile billing plans and operations.

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A promotional banner for INTEC. The top section is dark blue with the word "INTEC" in white, bold, sans-serif font, underlined with a thin yellow line. Below this is a green horizontal band containing the text "INNOVATIVE SOLUTIONS", "POWERING", and "NEXT GENERATION SERVICES" in white, bold, sans-serif font. The bottom section is dark blue with the website address "WWW.INTECBILLING.COM" in white, bold, sans-serif font. The background of the banner features a stylized, glowing green and yellow graphic that resembles a wind turbine or a signal tower.

In contemplating the future of VoIP, Pipeline took some time to speak to Mike Paradise, Assistant Vice President of IT Network Reliability Centers for AT&T, who reports that he sees a lot of challenges ahead for IT and data networks. New technology and user demand is changing the operational landscape, often leaving more questions than answers.

But Paradise isn't worried or scared.

In fact, he welcomes the challenge with open arms, or at least an open chair at the upcoming Illinois Institute of Technology VoIP Conference and Expo, taking place in Chicago October 12-14. There, Paradise will join other speakers (including Verizon's Christopher Mayer) on a panel discussion for carriers' view of VoIP and the future.

"I want to talk about the whys and the challenges associated from a large-scale point-of-view," Paradise said about the upcoming event. He's not concerned about how the technology will change, as much as he is fascinated by the demands that are making it so important. Why do we want VoIP? Why is it so important and what are the challenges of fully VoIP services?

Market-shares alone show a good indication of why we may be interested in smartphone applications that leverage the power of VoIP. It makes, given the right conditions for business and operations system managers, the sector potentially lucrative. In 2007, pure IP systems alone made up about eighteen percent of the market share. It's been consumer adoption and adaptation that has, if anything lagged behind.

"Customers expect VoIP with their broadband package as well as their handsets."

But this is all part of his company's approach. For AT&T, incorporating VoIP transmission technologies and other services is now integral to the business and operational support of a wireless carrier. "IT networks are becoming nothing more than a common service," he explained. "And being able to bundle and leverage that with other services to provide to a user is very

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important.” It provides an edge for a customer base, which for AT&T is largely leveraged on the real-life scenarios of its large subscriber pool.

Customers, he explained, expect more. They expect VoIP with their broadband package as well as their handsets. They expect data and business services to connect them with a global network. These expectations are what compose the growth, innovations, and challenges ahead for BSS/OSS providers.

“You want to make sure they’re integrated, number one, for a complete end-to-end user experience, he said.” Paradise says this is part of a holistic approach, one that isn’t centered from a network standpoint. Otherwise, you lose customers and revenue to hand-offs and trouble-shooting isolation. “It makes for a poor quality product and a poor user experience.”

Part of this comes from standardization and other industry-best practices, but for Paradise there are a host of other issues to be discussed: the taxing new technology and varied layers of a network, the differentiation of classes. Which customers favor VoIP services on their handsets over data plans? What will be the operational expenses and reactions for these types of developments? What are some of the possible carrots for individuals who don’t utilize their data plans as much during peak hours?

These are a few of the questions that should be covered at the IIT VoIP conference, the 6th annual, where Paradise and Mayer will be joined by speakers and panelists from various governmental and educational institutions. More information can be found at <http://www.cvent.com/EVENTS/Info/Summary.aspx?e=e2f0ff38-a913-4f21-a842-58e29285fafa>.

“Hopefully,” says Paradise, “we can plant some ideas and provide some insight with technology.”