

***Next Generation Networks
Telco or Internet?***

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What is convergence?

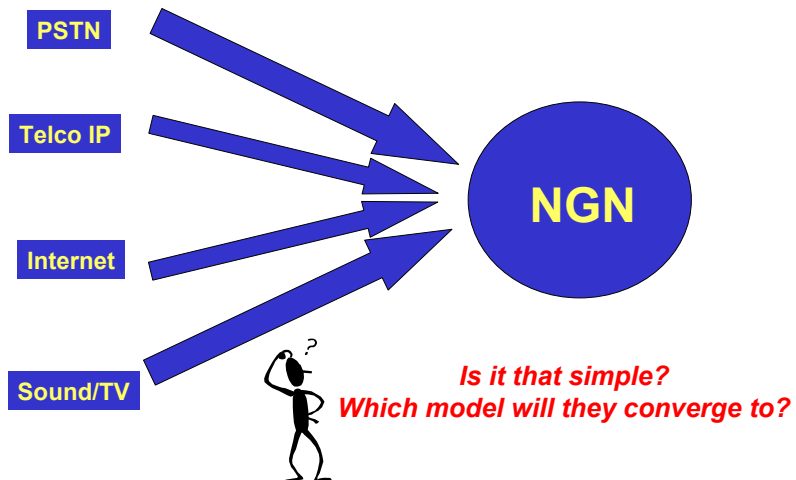


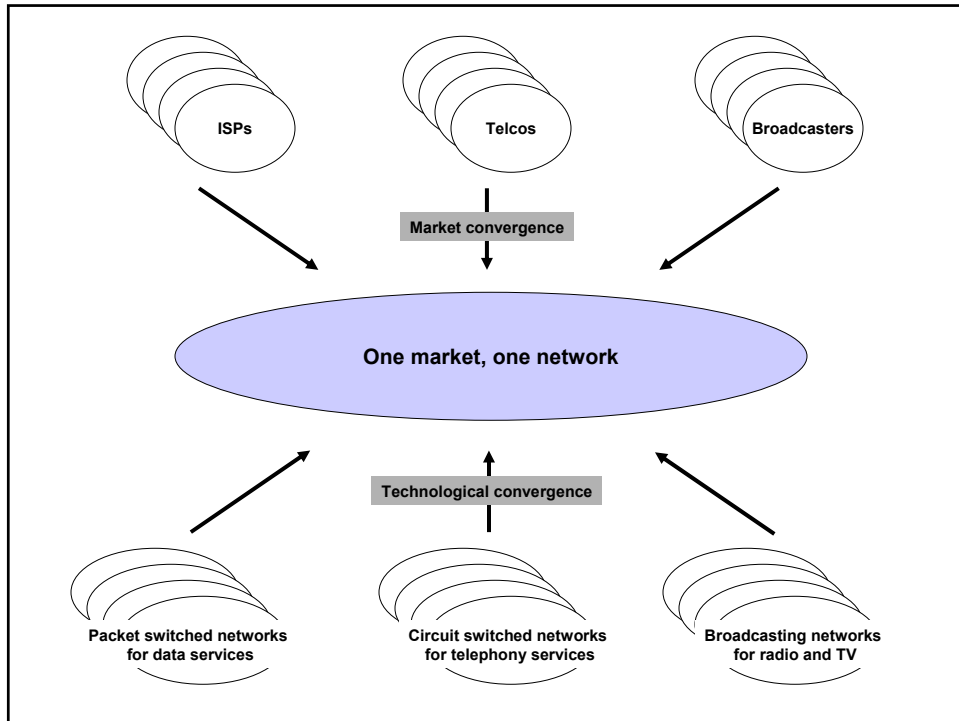


What is changing things?

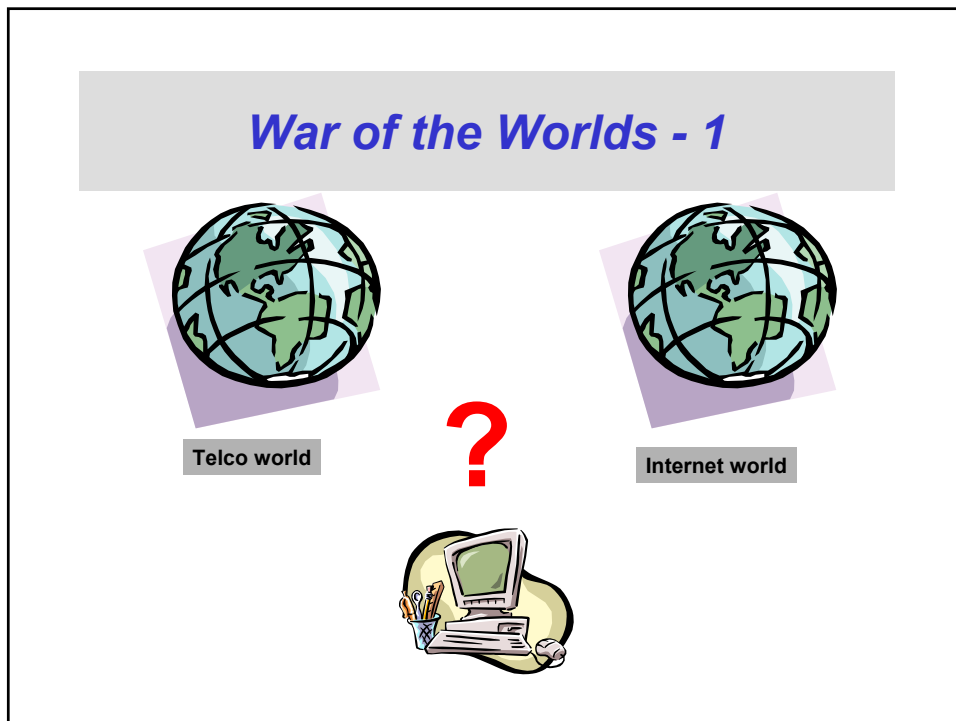
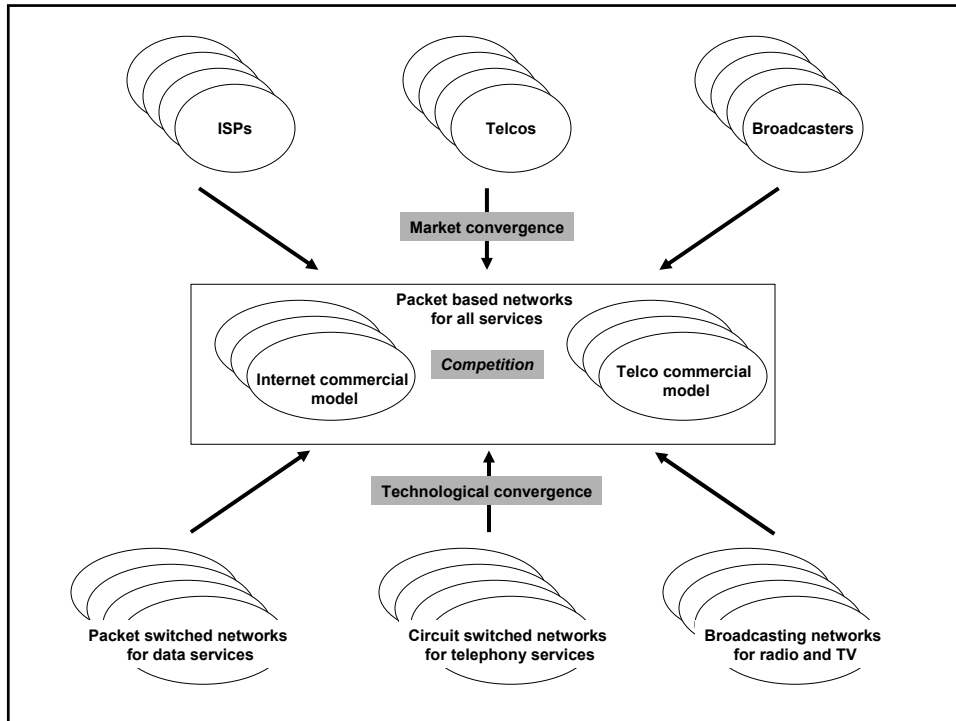
- Digitalisation – a common format - see “Being Digital” by Nicholas Negroponte
- Packet technology – a multi-service network
- The Internet model – global village
- Liberalisation – removal of restrictions

Next Generation Networks





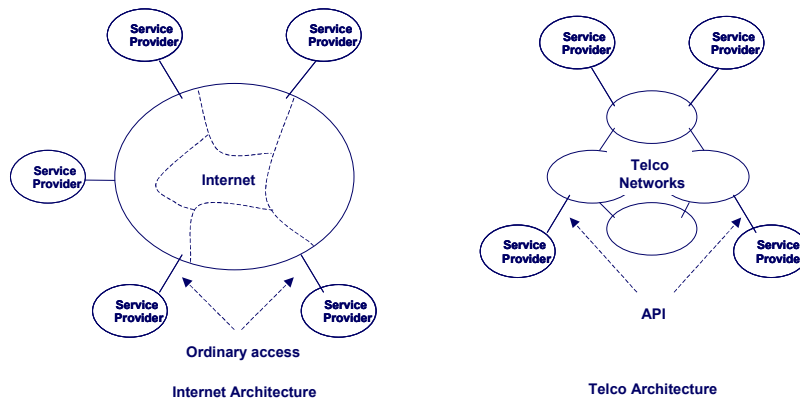
Wrong!



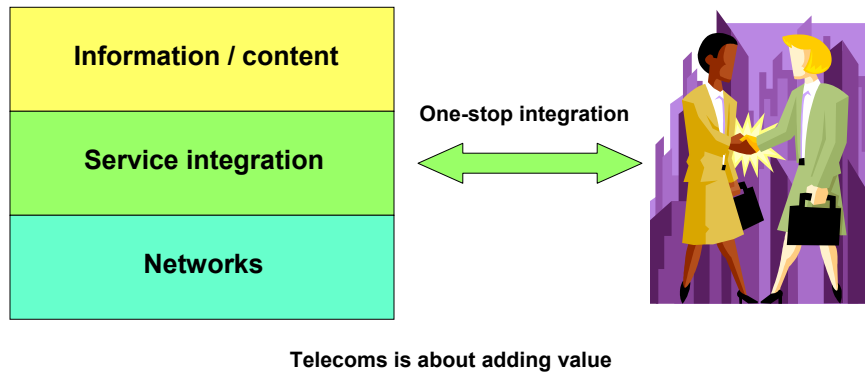
War of the Worlds - 2

Telco	Internet
Closed	Open
Service charges	Access only
Service control	Self provision
Intelligent network	Dumb network
Dumb terminal	Intelligent terminal

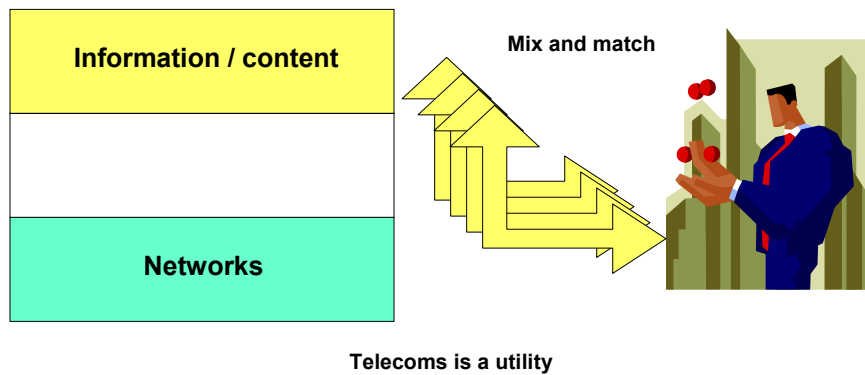
Competing structures



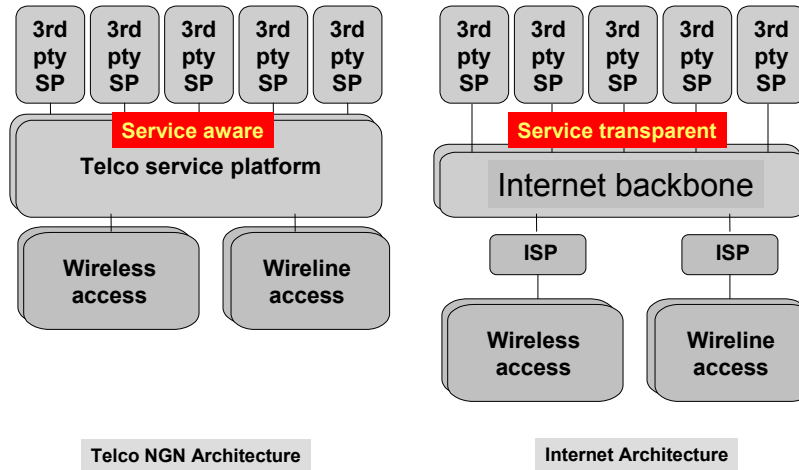
Telco commercial approach



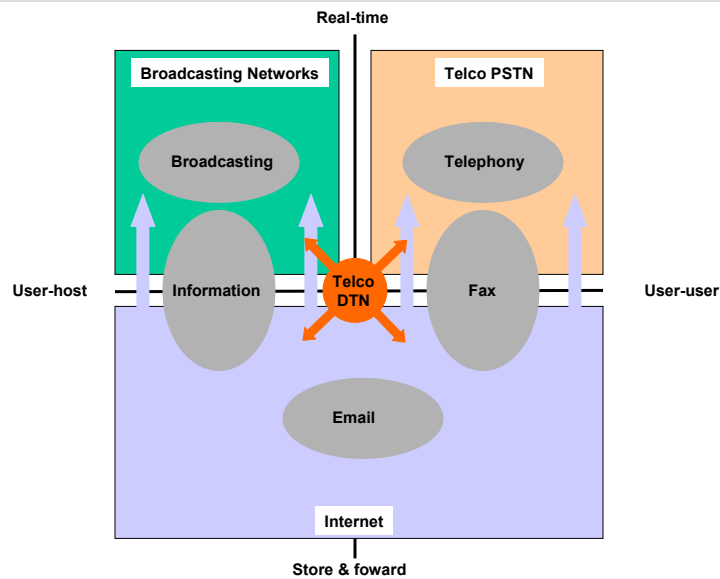
Internet approach



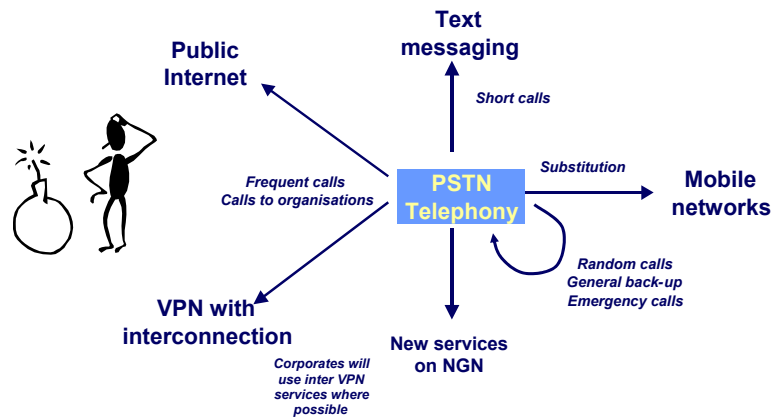
Similar but quite different



Telecom markets

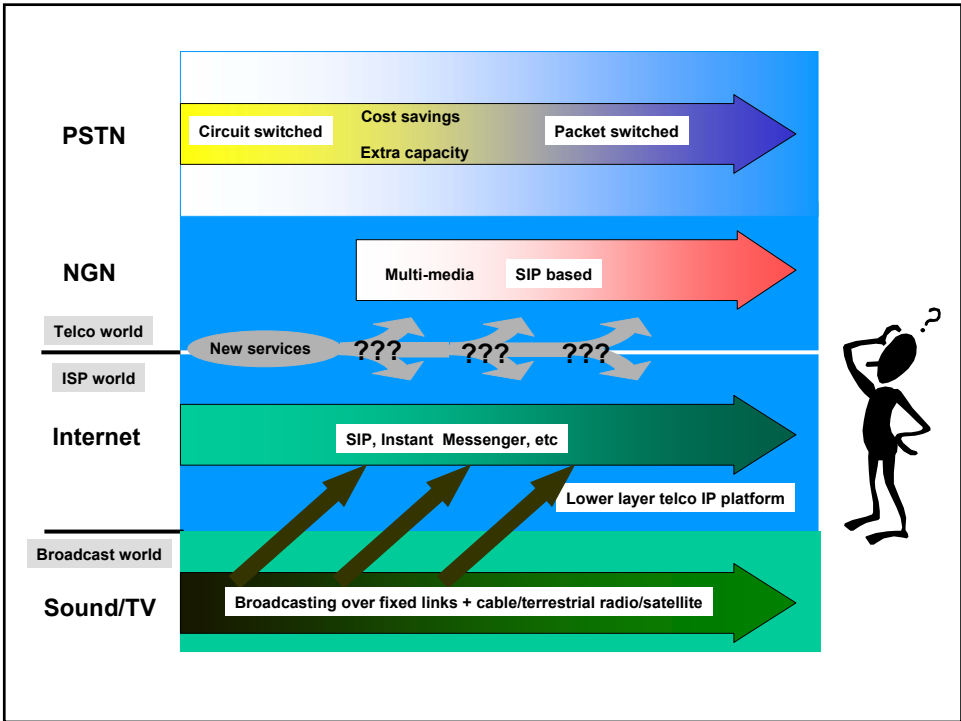
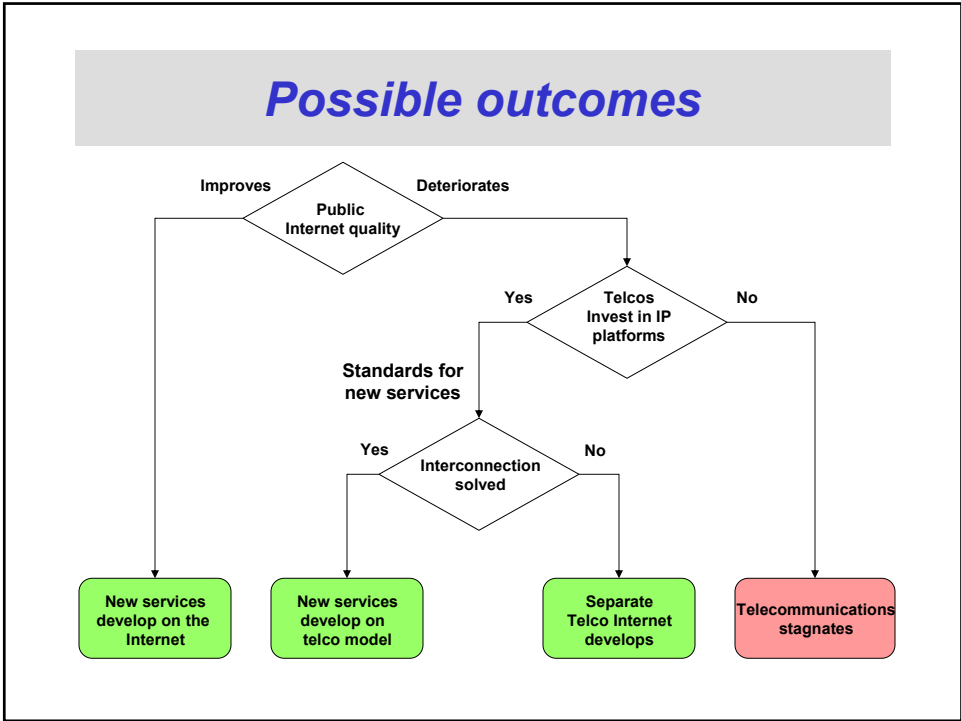


Voice = 80% of revenue



Telephony types

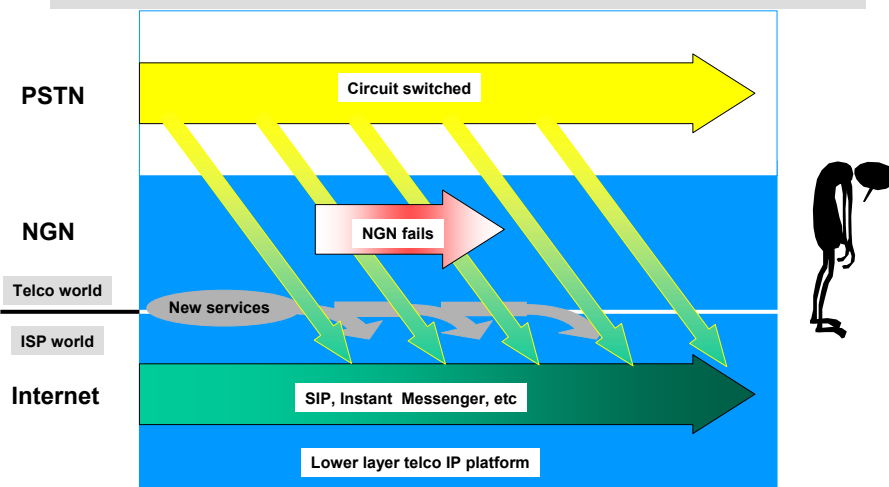
- Repeat calls to same people (80% of minutes?) **Instant Messenger / VPN linkage**
- Calls to “organisations” with web sites (insurance, bank, government, railway, airlines, major stores – 15%) **Click to talk**
- Random calls (5%) **Stay PSTN**



Telco problems on NGN investment

- Lack of ideas for revenue earning services
- Is there much demand for services that cannot be provided on PSTN or Internet?
- Reducing PSTN traffic means little incentive to replace digital PSTN
- New idea is 3GPP presence service
- Problem of organising interconnection for NGN services – looking at bit pipes only

A serious danger



So what do you think?

Is the future:

The telco NGN?

The Internet?

Both?