

**MOBILE DATA: New approaches needed for backhaul**

**BIG DATA: What are the implications for telcos?**

**NEW INTER-JAPAN CABLE: Hokkaido seen as data hub**

PTC'13

# COMMUNICATIONS DAY

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## Customers to be owners in new Australia-Asia/US cable funding model

Technology entrepreneur Bevan Slattery has divulged a wealth of detail around the two new submarine cables he is planning, which will link Australia's west and east coasts with Singapore and the US respectively. A key differentiator will be a part-ownership financing model – which Slattery believes will see both cables meet their aggressive launch timeframes of Q4 2014 and Q1 2015.

SubPartners, co-founded by Slattery and Ted Pretty, has been working quickly since CommsDay first broke the news of its west and east coast plans last August and October. It now anticipates the cost of APX-West – a 4,600km route with 55 repeaters, 4 fibre pairs and 48-60 100Gbps wavelengths per pair – at around US\$180-200 million. APX-East is expected to come in at some US\$270-300 million, for a 12,500km route with 4 pairs, 140 repeaters and 48 wavelengths per pair.

On the sidelines of PTC'13 in Hawaii, Slattery and commercial director Carlos Trujillo – the ex-Telstra exec who oversaw its Endeavour and Asia-America Gateway cable investments – told CommsDay exactly how they would secure the investment to complete the projects, now dubbed Asia Pacific Express East and West. Funding has been the critical stumbling block for many planned systems, including most recently the failed Pacific Fibre project linking ANZ to the US.

“The key challenge really, and I think why people have struggled in the past, is that there's a bit of a lack of understanding of the market – and the offering that's attractive to that market,” said Slattery. “Really, we think the market's shifted; what the major clients are looking for is almost partial ownership, and that's the focus we're offering to our clients: more of a share in the fibre pairs.”

Rather than leasing a fixed amount of capacity at a fixed rate, SubPartners's model will see customers buy a portion of one of the fibre pairs themselves. Not only will this provide them with substantial capacity right off the bat, but they will benefit from all capacity upgrades in future – from 100Gbp to 400Gbps to 1Tbps per wavelength, for instance.

“What we're doing here is offering spectrum ownership to the end punters, our goal is to really sell the entire capacity of the cable. That's the distinct difference,” said Slattery. “We've obviously spoken with our suppliers on funding, we've spoken to a number of key clients who will make billing milestone pay-

### Two planned cables at a glance

**APX-West: Perth to Singapore**  
4,600km, 55 repeaters, 4 fibre pairs,  
48-60 100Gbps wavelengths per pair  
**Cost: \$US180-200m**

**APX-East: Sydney to USA**  
12,500km route with 4 pairs, 140 repeaters  
48 wavelengths per pair  
**Cost: \$US270-300m**



Bevan Slattery & Carlos Trujillo

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ments – because it is almost like a joint ownership arrangement. And finally, we’ve been approached by a US PE, and we’ll be engaging a local Australian bank to manage the finance for organisations that don’t want to make payments via billing milestone. And also, I’ll be putting in a substantial amount of capital – and Ted [Pretty] is also involved.”

“We’re carrier-neutral,” added Trujillo. “One of the ways we’re framing this for potential customers is that they have the ability to be a constructor, without the capital risk of running the whole project themselves. So this way, you can upgrade whenever you want, you have ownership – but you don’t have to commit all the capital to be a constructor in your own right.”

All of this, said the duo, makes financing much easier. “There are people keen to invest in cables, particularly on the west coast – we’re getting approaches from PE, and from financiers on the west coast because they really want to get involved in it, but they just needed a reputable party,” said Slattery. “And having been through that cycle before, I have a very clear understanding of what banks and [other financiers] want. We’ve also raised \$200 million at NextDC.”

**ROUTES AND LANDING STATIONS:** NextDC – the high-spec datacentre builder also founded by Slattery, who remains a director – is also expected to play a key role in landing the new cables. “There’ll be capacity available at [NextDC’s] P1 [datacentre] in Perth, and S1 in Sydney. In today’s world, the landing site and the datacentre have blurred!” said Slattery.

Meanwhile, the firm has already secured a choice of two landing stations in Singapore for APX-West, and expects to lodge landing permit applications for Hermosa Beach in California within the next 60 days. Slattery has also been spending time in Hawaii, scouting out more landing sites. “A substantial amount of the opportunity is not just between Australia and the US; [for example] there’s the Pacific Islands in between, there’s some opportunities there with organisations that aren’t typical telecoms providers – and not just in the telecoms market,” he explained. “[APX-East] will be an express cable from Australia to the US, with spurs into New Zealand and Hawaii, and branching units available at a number of locations in the Pacific Islands.”

Completing APX-West is the first order of business for SubPartners, which is planned to go live within Q4 2014. But the timeframes for APX-East have been stepped up a notch; Slattery has found that a number of potential customers for west coast capacity are also showing interest in the east coast. “It’s absolutely fair to say that the west coast is our priority, to make sure we get that completely locked away,” he said. “But in saying that, there’s a number of opportunities on APX-East, and the timing has now become important. So we expect APX-East around a Q1 2015 timeline for completion.”

**THE COMPETITION:** On the west coast route, SubPartners faces competition from the ASC-1 and ASSC projects, but Slattery and Trujillo aren’t too worried.

“All the other propositions going back to Ochre have gotten a lot of press and talked a very good story... but the business models that they’re selling are typically very carrier-centric, and I think that’s what differentiates us, that we’re carrier-neutral,” said Trujillo.

“Is there room for three new cables on the west coast? Absolutely not. Is there room for maybe a cable? Yes. I guess the success of any project... is [measured] in delivering and executing, and I believe that whoever builds the first one will have the value proposition. Because we’re not talking 10Gbps systems anymore, we’re talking 100Gbps coherent. How many 100Gbps systems would you need out of the west coast?”

Petroc Wilton

## **Re-engineering backhaul to solve mobile data puzzle**

A fresh look at mobile backhaul could be key for operators to cost-effectively keep pace with the mobile data boom, according to a panel at PTC’13. But that could mean some very different approaches to engineering – and even a fresh look at relationships with competitors.

Industry consultant Norman Fekrat and NTT DoCoMo R&D MD Dr. Minoru Etoh agreed that Wi-Fi offloading, while easing some of the mobile data load, wasn’t a universally optimal solution. Etoh built on his recent arguments in favour of small cell deployments – but such deployments have implications at the backhaul layer. “Your chance exists in backhaul connections, and last-mile connections using WiMax or

wireless connections,” he suggested, for the benefits of operators with both fixed and mobile assets.

“Mobile broadband needs to be re-engineered for internet-type economics; the mobile platforms out there, the cell sites, the backhaul needs to be just done over the internet,” added Fekrat, who argued that the economics of wireless should be brought as far as possible in line with those of wireline systems.

“There are some initiatives going on in the industry that are pushing the mobile packet core all the way out to an enterprise small cell, where you connect to the small cell through your mobile connection but all the backhaul’s just done over the enterprise LAN and over the internet. So I think you’re going to see some very creative solutions that are going to bridge the gap between traditional mobility and some other Wi-Fi offloading mechanisms today to drive profitability.”

“The reason why untethered and Wi-Fi exists is really because backhaul is so expensive,” he continued. “And I know this changes in different geographies, but from my perspective, the reason why you connect on a Wi-Fi network and the carriers want you to is because you’re on the internet; you’re not on the carrier mobile packet core network. So once a mobile network operator can create a small cell, or a cell site, where that backhauls over the internet, then you get to a quality of economics. I would suggest or recommend that should be something that should be looked at from an industry perspective.”

“To have small cells, maybe 10 or 50m cell sizes, in very high density areas, backhaul [is becoming] a more and more important area to solve,” agreed Etoh. “So the real winner could be real estate companies!”

Meanwhile Andy Warner, a manager for Google’s access team, suggested that the backhaul implications of small cell deployments would have a knock-on effect on competitor relationships. “With the traditional macro[cell] model, it could have been really strategic – your tower site and your backhaul – but as you collapse down and start using Wi-Fi, or using small cells, there are only so many places you can drop these locations that you can actually backhaul away from,” he said. “And so, in markets where operators are cooperating more as to how they get out there – and then competing on quality of service, marketing and other things, instead of who managed to lock up strategic real estate first – the general level of happiness and the ability to get people to pay has been much higher and better. And so seeing more cooperation between carriers is more important as you shift to this, because it’s not the traditional land grab.”

Petroc Wilton



Yesterday’s mobile panel

## Tackling the security challenges of big data

Global network management firms are working overtime to tackle a host of new security threats – in particular DDoS attacks – that have arisen as businesses look to monetise big data.

In a panel session at PTC ’13 titled ‘Big Data, Big Bandwidth, Big Opportunity’, NTT Communications’ VP for global IP network sales and marketing Brent Duncan, said that he is seeing “ever-growing DDoS” attacks originating from all over the world “on the levels of 30G, 40G and 50G attacks.”

“One thing I’m seeing is this evolution from just having edge security to [having] proactive systems that are constantly monitoring data sets inside the business to see any kind of abnormality – anything that goes one way yesterday and has changed today... that’s one of the biggest concerns that a lot of these companies using big data to inform their decisions have [is around] that data being potentially manipulated,” he said.

“Security is an arms race... it’s constantly evolving and it’s not going to go away; there’s a lot of money to be made and opportunities to offset what will be a constantly evolving problem.”

Level 3’s global core product management senior VP Paul Savill said that his own firm sees a fresh attack somewhere across its global network “hundreds of times every minute.”

“We pay a lot of attention to that and over the years we’ve [come up with] a number of tools and algorithms to constantly monitor the network and shut all of that down as soon as possible,” he said.

Level 3 consults its customers in other ways and works on tackling the thorny issue of security in a number of different layers, according to Savill. “With managing security, IP is one thing, but there are also customers who when they move to a VPN network, an IP VPN network, or Layer 2 or 1 network, they

also have security issues in different ways,” he said.

“I’ve even seen some government customers that are worried about security at the fibre level – they are interested in figuring out how to protect potentially somebody is crimping the fibre... to catch just a little bit of light straying off... so security is a concern at all levels, and with the increasing connectivity of the internet out there, people need to be aware of it or they risk their business.”

Meanwhile, Calix business development director Martin Laney said that his company has a product that analyses IP in the cloud. “[One] of the steps we take is distributed hosting – so where there’s a targeted attack we can shut it down without interrupting the service,” he said. “Our customers are very concerned about that; they don’t want anything out there even [if] it’s relatively anonymous – people are going further now and hacking into network to retrieve data, so we have to be concerned about the ability of the customers to control our equipment in a sense to be able to stop that, hopefully without having to go offline.”

David Edwards

## Big data poses challenges to subsea cables: Level 3

Big data is posing challenges to existing subsea networks, which will consequently require careful upgrades in response, according to Level 3 Communications senior VP for global core product management Paul Savill (right). During a panel session at PTC ’13, Savill said that the physics of latency was forcing companies to distribute datacentres around the world in order to conduct data analytics – a thing that he said is “good for carriers and for businesses that are operating in different parts of the global in the datacentre space.”

“But the networks that carriers... have to provide, it’s a challenge to keep up with it, to overbuild these networks,” he added. “The subsea networks, in particular, are one of those things where you build one of those and... they’ve got a certain amount of time they’re going to live, and the technology has to be upgraded very carefully. So big data is driving challenges for that subsea stuff; fortunately, so far, the equipment vendors that we’re working with are doing a good job with keeping up with it [in terms of] scalability and technology.”

As for the global distribution of datacentres, NTT Communications’ VP for global IP network sales and marketing Brent Duncan said that each individual region had its own set of challenges, including tax and regulations. “And when you’re dealing with a whole set of obstacles in each region, it’s very difficult to navigate,” he said.

Savill added that many countries employ “prohibitive, un-business friendly practices and laws to keep us from having flexibility.” “So sometimes those policies actually hurt the progress of people’s goals to have communications exposed to the world and [thwart] opportunities for more education because of the variances and some crazy laws that we’ve seen... particularly in the emerging markets,” he said.

David Edwards



## Carriers pitching M2M to Silicon Valley

Fixed and wireless carriers are increasingly reaching out to entrepreneurs and venture capitalists in the Silicon Valley in a bid to tap into the emerging machine-to-machine market, according to Telecom Council of Silicon Valley president Elizabeth Kerton.

The Telecom Council of Silicon Valley, whose goal is to connect carriers to innovation, looks at around 500 startups per year in areas such as mobile health, M2M and hetnets, for example – around half of which will make it into an agenda, according to Kerton. She said that right now, among the fixed and wireless carriers, the “big ask is M2M,” with telco looking for new products and services that will effectively manage the burgeoning number of connected devices.

“M2M is mostly an eye opener for the carriers... right now I think in the US it’s about four connected devices per person – and as soon as you add in small devices on the M2M network that number goes out of scale,” she said. “And that taxes the network in terms management, in terms of capacity and band-



width, so the networks, management and datacentres are looking at this and saying they need to future proof... but we also need to find a way to make money,” she said.

“So there’s as much innovation going on in the hardware, software and network side as well as there is on the business model side – which is where the change probably will come first.”

Kerton said that there was around \$US800 billion worth of venture investment in telecom globally at the moment, with around 50% of that going into Silicon Valley companies. “So when you add Boston, Texas, Seattle and San Diego together it’s still about half of what’s going on in Silicon Valley,” she said.

Analysys Mason partner John Krywicki, added that investment in telecom is very robust, particularly outside the US. “We spent \$US7 billion promoting stuff here [in the US]; in Australia, which is a tenth of the size, they’re spending 10 times as much.”



David Edwards

## **Warning to sub cable builders: prioritise national security considerations**

With national security concerns heightened around the world, submarine cable builders must seek expert advice on the implications at the very earliest stages of new projects – or risk lost revenue, project delays, fines and more.

That was the warning from Kent Bressie, partner and head of international practice at Wiltshire & Grannis LLP, at a panel session during PTC’13.

“The key point is really to think about these types of issues as early as possible in a project – before you sign a supply contract, before you engage a maintenance provider,” he said. “A lot of governments are very much focused on the critical importance of undersea cables... this is really driven by concerns about terrorism, and recently cyber-security and cyber-attacks... there are also of non-malicious events, particularly due to heightened marine activity in the energy sector and in commercial fishing. [They] have reacted by imposing a lot of new regulatory requirements and reviews, all of which add to costs and the time requirements to complete a project.”



One of the most difficult things about operating in today’s environment, he added, was a lack of clear definition about what actually constituted national security – or how governments and industry should respond.

“A lot of the focus in undersea cables has been on initial security reviews for new systems going into the water, and often with a focus on the US, with its sometimes infamous ‘Team Telecom’ process... but it’s not just in the US anymore. We’ve seen a lot of discussions in the last 18 months in Australia, and certainly in India as well,” he said. “And of course, after the systems are in the water... governments look at mergers and acquisitions. Many, many countries maintain a process for monitoring the acquisitions of domestic companies.”

But governments, continued Bressie, have many other risks to deal with – and measures to address them. “They conduct extensive surveillance and impose a lot of requirements on equipment manufacturers and carriers to serve the needs of domestic law enforcement agencies; there are increasingly a lot of disputes that we see about access to source code... governments also want information about outages and restoration arrangements,” he said.

“[And] in terms of foreign policy controls, export controls and sanctions can affect greatly undersea cable operators and equipment suppliers. If you’re a carrier or an operator looking to sell capacity to particular entities, if you’re a supplier looking to export equipments to particular markets... make sure that the counter-parties you’re dealing with are not subject to sanctions, or if they are, you’re licensed to do business with them. Most countries that maintain these sanctions have both civil and criminal penalties for their violation – and going through an investigation of those kinds of matters can be a very nerve-racking and expensive process.”

The implications of all of this, said Bressie, could affect everything from the choice of equipment, in-

vestors and landing arrangements, through facilities access policies and NOC operations, to ownership and management structures. “All of which means it's more expensive to do business,” he said, noting that compliance costs had rocketed up – and could go further depending on choices of investors, suppliers, contractors and customers – but also that the effects could include reduced supplier competition and corresponding price hikes. Other risks could include lost revenue, and project and transaction delays.

In response, Bressie urged system owners to conduct extensive risk assessments of all suppliers during procurement phases, and of financial backers during the lending phase, and to seek expert advice, whether in-house or external, in the first stages of a project. He also encouraged suppliers to develop and market supply chain management and customer assurance programs – but stressed that most of the burden remained with operators. “Governments generally put the onus on the system owners,” he said.

Petroc Wilton

## Visibility key to get women past tech's glass ceiling

Invisibility is one of the core obstacles for female executives seeking to make their mark on the technology sector, according to speakers at the PTC'13 Women's Breakfast session.

“I think technical women and women in technology are nearly invisible,” said Google VP Megan Smith, speaking as part of a wider discussion on why there are disproportionately few women in leadership positions in the technology industry. According to Smith, there are many women who have played important roles in the foundation of companies, but they rarely get the spotlight for their accomplishments.

One example of how the role of women is overlooked in the history of technology is Susan Wojcicki, whose basement served as the first workspace for Sergey Brin and Larry Page when they started Google.

“They founded Google in her garage, and she runs all the AdWords business for Google,” said Kara Swisher, co-executive editor of All Things Digital at the Wall Street Journal. “You've never heard of her, have you? [But] she is significantly important.”

One possible explanation of this trend is what Swisher dubbed the “good girl syndrome,” where women fail to assert themselves to the extent of more aggressive male colleagues, allowing themselves to be overshadowed. Addressing this could be critical to help further women's position in corporate culture. Another key step is education, asserting the benefits of women's contribution to business.

“As people do research into the women at work, there is the rule of three. If you have three women on your board, it changes the performance of your company in a positive way – it is proven... mathematically. If you have more than 25% women on your team, you make a positive impact, it is [another] proven data point,” Smith said. “Let's get this out there.”

The importance of getting that message out is highlighted by empirical data of women's participation in the technology industry today.

According to Elizabeth Kerton, president of the Telecom Council of Silicon Valley, women are far outnumbered by men when it comes to entrepreneurship in tech. Her organisation, which matches startups with venture capital firms and large industry players, sees only a tiny percentage of startups founded by women.

“We look at probably 500 startups a year, and I would say about 15 of them are owned by women,” she said.

Tony Chan



Yesterday's Women in Tech panel

## New startup proposes western Japan cable

New Japan-based startup CloudNetworks has proposed a new cable system along the west coast of Japan at PTC'13. The system, dubbed the Nihonkai Cable System, is pitching two distinct value propositions to the market: to establish the northern Japanese island Hokkaido as an alternative hub for international capacity and cloud computing infrastructure; and to provide route diversity to existing subsea cables in

and around Tokyo.

The proposed project would install a subsea cable linking Toyama and Niigata on the west coast of Japan's main island to Ishikari in the northern island of Hokkaido. The system will also feature a terrestrial backhaul ring that connects together Tokyo, Nagoya and Osaka on the main island. In the north, the cable will be backhauled to the city of Sapporo.

The idea is to develop an international route that offers diversity to traditional landing stations near Tokyo, said CloudNetworks board director Nao Yanagawa, who is at PTC seeking investors.

"Previous development in international communications has been focused on the eastern coast of Japan near Tokyo, because that is where the business centres are located," he said. "But that areas is vulnerable, as shown by the massive earthquake in 2011 and the subsequent Fukushima nuclear power plant disaster."

In addition to providing diversity for Japan's international communications infrastructure, Yanagawa also pointed to the geology and climate of Hokkaido as an ideal location for cloud computing infrastructure.

"Hokkaido rests away for the active geological plates of the Tokyo area while its cooler climate is much more efficient for data centres," he said.

The project is in the advance planning stages, with the route and systems configuration already finalised. A major Japanese carrier has also been brought in as the provider of landing stations on the both ends of the subsea segment.

The system will feature 4 fibre pairs, with each pair offering 4Tbps of design capacity (100G x 40 wavelengths). The system will also support OTU2 and OTU2e, the latest software defined networking solutions for optical networks.

Tony Chan



## Why telcos don't have to be afraid of OTT

When it comes to the ongoing tussle between the telecoms industry and over-the-top players, network operators still have several aces up their sleeve, said telecoms executives on the Global Carriers Outlook panel session at PTC'13.

According to Hutchison Global Communications president of international and carrier business Andrew Kwok, telecoms operators have plenty to offer when dealing with OTT players. Instead of simply regarding OTT as a threat, telecoms operators should instead seek them out as partners to drive value into their infrastructure, he said.

"There are things that a telecoms players have that OTT players don't," Kwok said. These include the ability to offer a global identity to users in the form of a mobile phone number, the ability to extract location-based data from their network.

"There is nothing in the OTT space that is equivalent to the ITU numbering system governing telecom numbers that can establish an internationally recognised identity management system for OTT services," he said. "We also have the location information. When you take an IP address in an OTT environment, you don't really know where they are. Knowing that is very important for many OTT applications."

On the network side, telecoms operators also control the development, which allows them to control the quality of the services, a critical component for OTT players if they want to keep their customers happy, Kwok added.

"These are the elements that allow telecoms operators to participate in the market, allowing them to position themselves as ideal partners to OTTs and extract a bigger portion of the value chain," he said. "The notion that OTTs are a threat is a false perception. The problem is identifying where consumer spending is going and how to capture some of that. Say a consumer spends \$100, but only \$20 goes to the

telco. What we want to do is find out where the \$80 is, so we can create a more balanced model for us.”

One example Kwok gave is a data roaming solution Hutchison has rolled out in partnership with free messaging application, WhatsApp. By partnering with WhatsApp, Hutchison is now offering its customers the ability to use data connections to access WhatsApp when they are roaming in select countries.

“For us, we stimulate roaming data demand, we generate more revenue, and WhatsApp gains better performance on our network and a better way to reach its customers,” Kwok explained.

Citic Telecom International Holders CCO Jacky Kwok – no relation – added that OTT, simply by bringing more users onto networks, creates a bigger pool of potential customers for telcos.

“All in all, I think there are value contributions with OTT applications because it attracts more people to connect to the network, such as older users now adopting smartphones and tablets,” Kwok said. “I think once we create this connected community, and become friends with OTT players, there will be opportunities for us as well.”

Tony Chan

## **PTC names 2013 governors, advisory council**

The Pacific Telecommunications Council has named its 2013 board of governors and advisory council, elected this week at the PTC’13 event.

Re-elected as president and chair of the board of governors was Richard Taylor, professor for telecom studies and co-director at Pennsylvania State University’s institute for information policy. CITIC Telecom CEO Stephen Ho will remain as vice chair and Verizon Australia GM Paul McCann will stay in place as secretary; Gregg Daffner, CEO of Hong Kong’s GAPSAT, was newly elected as treasurer.

Chairing the 2013 advisory council, meanwhile, will be Faye Henris, GM of the USA’s TEOCO. Tom Cooper, professor of visual and media arts at the USA’s Emerson College, will remain as a vice-chair; Brian Tellam, a partner at Australia’s Cornerstone Capital Partners, and Thales Alenia Space North America senior marketing and sales director Tim Logue have both been newly elected as fellow vice-chairs.

A complete list of the PTC Board of Governors and Advisory Council members will be available from PTC’s website after PTC’13.

Petroc Wilton

## **Telstra creates software division to tackle OTT rivals**

Telstra has announced that it will set up its own software division to challenge the increasing number of over-the-top services and tap into future growth opportunities. Meanwhile, Telstra Global has launched a new low latency connectivity solution into Hong Kong’s online trading exchange.

The new Global Applications and Platforms line of business will take effect from next month and will be part of the Innovation, Products and Marketing business unit led by group MD Kate McKenzie.

McKenzie said that the new business will operate as a startup company drawing on the assets of the broader organisation. She said it will also have global accountability, drawing from the best in the world and tailoring solutions for the local market and abroad.

“Our industry is changing rapidly. The future is in the software layer and there is an application for absolutely everything,” McKenzie said. “With successful over the top players growing exponentially, we need to continue to find ways to take challenger positions in this space.”

“Telstra is moving from providing mobile and internet services to encompassing applications and integrated services. This new software defined world presents many opportunities, not least the ability to move faster,” she added.

Telstra will build up the Global Applications and Platforms business over the next three years. It will include a mix of existing and new employees, with the core group including the current Applications Marketplace and Experience Design team led by Freddie Jansen van Nieuwenhuizen and the E2E Industry Verticals team led by Andy Solterbeck. It will also work alongside the company’s Applications and Ventures group.

Charlotte Yarkoni, executive director of applications and platforms, will lead the new group and officially commences the new position on 1 March 2013. Yarkoni has held senior leadership roles at EMC



and VMWare and has also worked for AT&T in the US.

Meanwhile, Telstra Global announced the launch of a low latency connectivity solution into Hong Kong's online trading exchange. According to Telstra Global, it is one of the first carriers to link directly into a new data centre operated by Hong Kong Exchange and Clearing.

"The new PoP will provide financial services organisations based in HKEx with access to Telstra Global's low latency service EPL Express," the operator said. Conversely, the new solution also allows financial institutions in other markets with access to Telstra's Ethernet network to access the Hong Kong trading platform over a low latency solution. Telstra's Ethernet service is available in Chicago, New York, Sydney, London, Frankfurt, Tokyo, Hong Kong, Seoul and Singapore. The model also eliminates the need to subscribe to a local loop in Hong Kong for overseas customers.

Geoff Long

## **AT&T, China Telecom highlight investment milestone**

US-based global carrier AT&T and China Telecom have announced an expanded range of business-critical services that will be aimed at international customers wanting to extend their business in both countries.

The companies suggested that the new services, which includes virtual private networks, Ethernet and unified communications, represents a "major milestone" for their investments.

AT&T and China Telecom signed a strategic framework agreement in late 2011 to deliver advanced global solutions to multinational companies. The two companies have since worked to ensure that their networks and support systems meet the growing enterprise demand for global services.

AT&T said that customers are expected to experience higher performance levels, lower latency and richer features. The new network solutions with China Telecom also increase the geographic reach of services that AT&T can deliver.

As well as AT&T's activities in China, the two companies have implemented a network to network interconnect in New York and San José in the US that allows China Telecom to expand its Ethernet and MPLS service coverage into the US and other parts of the world to serve a growing number of Chinese enterprises.

AT&T said it is also working closely with China Telecom to automate inter-carrier processes needed to provision and support customer services.

Geoff Long

## **ORACLE OPENS SECOND AUSTRALIAN DATA CENTRE**

Oracle has cited growing requirements for data to be kept onshore as one of the drivers of its second Australian data centre. The new facility will be housed with Equinix in Sydney. Ian White, Oracle regional MD Australia and New Zealand, said that cloud computing was transforming the way Australian organisations approached IT and said the second data centre supports its commitment to cloud solutions. "The centre will help customers to continue to meet government regulatory requirements and help to ensure sovereignty of sensitive data," White said. The Oracle Cloud data centre will augment the existing data centre by offering additional software-as-a-service and platform-as-a-service offerings. The company noted that all services will be managed and supported by Oracle staff.

## **RIM MULLS SELLING OFF BLACKBERRY HARDWARE**

RIM CEO Thorsten Heins has said the company could sell off its Blackberry hardware production as a strategic option to turn the company's financials around. Information service Bloomberg reported that the sale of hardware and the possible licensing of its software were both options that were being considered by the Canadian mobile company. The company has hired JPMorgan Chase and RBC Capital Market to help it evaluate options. According to the Bloomberg report, while Heins hasn't ruled out a sale of the company, he has said RIM's focus is on exploring strategic partnerships or software licencing deals. On January 30 RIM will debut the new BlackBerry 10 devices that it is counting on to reverse a sales slide and help it win back market share.

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