

## OVERHEARD

WATERCOOLER TALK FROM THE METASWITCH OFFICE



## GOOD CALL

## METASWITCH POINT OF VIEW | BY STEVE GLEAVE

### VOICE'S THIRD DIMENSION

Apply a PC's worth of computing power to the total global output of entrepreneurial app development prowess, and the resulting smartphone gives you more superficial ways of passing an hour than cable TV could ever dream of. But where does the superficial end, and the super begin? With 60,000 people attending, last month's Mobile World Congress, Barcelona seemed a good place to go and ask. Going into the show, the buzz was around mobile TV, video conferencing, and mobile-powered transaction services, but is any of this really jumping us onto the next curve? We already have TV, on screens far bigger than those which fit in your pocket; we have video conferencing; we have money.

When revenues dried up in Hollywood and innovation stagnated into sequels, prequels and franchise remakes, the movie industry went and conceived '3D' for audiences (albeit second time around) in order to make watching events through a lens a lot more like actually being there. As movie theatres and studios watch the money roll in, Metaswitch pondered what it would be like to add a third dimension to mobile voice?

A voice call isn't much like talking to someone in real life; the voice is there, but the environment isn't. Conferencing brings in more people, which is great but hardly dynamic. And video simply collects more information from each participant but doesn't change the nature of the exchange.

So if voice was the first dimension of a mobile call, and texting the second, what would really stand out as the third? Impulsive sharing. In-call content sharing is a major motivator for the standardization efforts behind RCS, but networks built to conform are a long time in the making. In the meantime, mobile operators are being compromised by Over The Top (OTT) applications that are delivering value over the data channel and driving subscriber attrition.

To win their war on OTTrition (geddit?), operators have to think differently — delivering enhanced services that are based on the subscribers existing mobile number. These services might be enabled as part of the regular call path, but could also be a branded OTT service of their own. Metaswitch's Thrutu service ([www.thrutu.com](http://www.thrutu.com)) is one such example. Available today as a free OTT service for consumers, Thrutu is changing the conversation by facilitating instant and simple sharing of photos, location and contacts. No more jumping between apps, but sharing through an intuitive button drawer that overlays the call in progress screen.

On the upside, an innovative in-call sharing application immediately helps to extend the voice call and drive subscription of more lucrative data plans. But make this dimension something that the service provider actually owns and we have a path to getting the operator brand back to being where it belongs — front and center in the voice call experience. As a company committed to the success of communication service providers, Metaswitch is working with operators ([www.metaswitch.com/thrutu](http://www.metaswitch.com/thrutu)) to determine how such an application can become a part of their service offering. We'll be sharing our experiences, and technology to make this happen.

We all need to stop thinking in 2D. It wasn't so long ago that only the power of the network could deliver services to subscribers. Today, subscribers depend upon the power of their IP devices to enrich their lives and business dealings. The next dimension will squeeze every drop of utility from both.

Changing the conversation, and the game? That's a good call...

**Steve Gleave is Vice President of Marketing at Metaswitch Networks.**

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## ON METASWITCH METASWITCH NEWS

### **METASWITCH CONTINUES TO INVEST IN GLOBAL EXPANSION**

Responding to local operator demand and market opportunities, Metaswitch is rapidly growing its EMEA sales and international development teams. Seasoned telecom professional Richard Dorey has been appointed as the company's new vice president of sales for Europe, Middle East and Africa (EMEA).

### **ANNUAL MOBILE WORLD CONGRESS HOSTS METASWITCH**

Under the theme 'Upwardly Mobile', Metaswitch marked its presence at last month's GSMA Mobile World Congress for the first time, helping mobile operators overcome their two greatest challenges: increasing mobile ARPU in the face of escalating challenge from OTT operators, and decreasing the cost and complexity of accommodating billions of mobile devices on SIP-based LTE networks.

### **METASWITCH SIP SESSION ROUTER EASES SERVICES AND TECHNOLOGY MIGRATION PAINS**

As the number of SIP endpoints and messages explodes, the Metaswitch SIP Session Router dramatically simplifies session routing and provides critical management insight into all SIP transactions. In the absence of a dynamic route discovery mechanism, SIP has relied upon static routing tables, provisioned manually on multiple SIP networking elements that include session border controllers, wireless mobile switching centers, IMS call session control functions, and Class 4 and 5 softswitches.

This has resulted in a complex mesh of direct interconnects and multiple route tables that must be updated manually and are especially prone to operator error. The Metaswitch SSR enables service providers to route SIP traffic at layer five, centralizing the routing of SIP messages through a single, highly redundant platform that simultaneously provides unmatched network monitoring insight and fault isolation capabilities.

### **SEE US AT BOOTH NO. 5078 AT CTIA WIRELESS**

Don't miss Metaswitch at CTIA Wireless! Join Metaswitch to find out more about how advanced new revenue generating applications are adding a different dimension to the voice call experience.

## HANG UPS INDUSTRY DEBATE

What will subscribers actually pay for, when so much is available for free? Hang-Ups explores what future is left in achieving new services revenues in a competitive environment where commoditized offerings are often given away. Featuring Dean Bubley, Founder of Disruptive Analysis, and Metaswitch's new VP EMEA Sales Richard Dorey.

### **Dean Bubley**

The Internet, and especially applications such as Facebook, Skype and YouTube have changed telecom users' perceptions of value. Huge volumes of valuable information and content is available for free — either advertising-supported, or even through other people's good nature (Wikipedia, for instance). Communications capabilities such as messaging, email and voice communication are also available free, often under "freemium" business models in which 10% of users paying for premium services subsidize the 90% using the





basic version. This is clearly a huge challenge for telecom service providers, which have evolved to view everything as monetizable.

**Richard Dorey**

Certainly the concept of free or freemium services has taken firm hold of the services market to the extent that OTT players like Google have become real challengers to the old order, and an increasing cause of revenue erosion. These are often very sophisticated services suites; no one should make the mistake of dismissing free OTT offerings as inferior, especially in the eyes of subscribers.



**DB**

That's the thing with many telcos — they have maintained inflexible business models: everyone is a “subscriber”, even if a subscription isn't the way people wish to consume services. They have applied flat-rate prices for services such as telephony and tried to maintain consistent QoS, rather than addressing different perceived values and quality needs for specific instances. From a human perspective, “best efforts but free” is perfectly fine for an hour-long spontaneous call with a friend in Australia, while a 2-minute business call to a key client really needs perfect quality.

**RD**

So what will customers actually buy from telcos in the future? There's a couple of ways to consider that. Firstly, customers will buy new services that are genuinely compelling and represent a significant enhancement on the functionality and experience commonly available elsewhere. Secondly, services that call upon the power of the network rather than simply the ‘soft’ overlay will place the service provider in a privileged position. There's a lot of information that can be stored in the network and then monetized as a service.

**DB**

The most obvious growth area regarding paid-for services is around access and speed. People want fast Internet access, ideally everywhere, and as cheap as possible as long as speed and/or availability are maximized. They also still pay for digital TV, especially where there is premium content involved such as movies or sports. However, whether they always want these bundled is questionable — many may wish to pick and choose. SMS remains an enduringly popular and profitable service, and although there are substitutes coming from the Internet world, none have yet made a significant dent in SMS, although it is perhaps only a matter of time. Traditional telephony is unfortunately rapidly declining in value — although perhaps not surprising, given that something that was clever 100 years ago, is now less of a technical triumph. Mobile voice is still maintaining its value — although that too will face challenges as LTE networks move towards an IP world and invite competition from 3rd-party players, as telcos struggle to replicate the historic performance and reliability of GSM.

**RD**

A lot of attention is being focused on video calling, and its mass-market revenue potential. I wouldn't discount the power of those services, but by themselves they don't deepen the context of the voice call in the way that Metaswitch envisages for major mobile operators. Sharing the moment, by picture, location or experience can dramatically extend mobile voice calls and promote upgrades to all-you-



can-eat data plans. Extend the sharing experience to B2C calls as well, and you have real potential for revenue-generating, value-added services.

#### **DB**

Many vendors and operators are now suggesting “personalized” data services — perhaps splitting off a “Facebook data plan” or “email-only” a-la-carte, rather than a full Internet buffet. Disruptive Analysis has a great level of skepticism that these models will work, as they tend to ignore the way that the web and applications actually function and evolve. The other things that people are willing to spend money on are devices — either outright purchases, or through a subsidy from a service provider.

#### **RD**

Again that’s particularly true in mobile of course, where the handset manufacturers have invested heavily and encouraged the application community to take further advantage of higher bandwidth mobile network standards and the PC-like processing power of the smartphone. In fixed-line services, subscribers don’t get turned on by their router in the same way, although some groups — gamers for example — clearly get advantage from making a discerning choice in that regard. Service providers could think along the same lines - it certainly wouldn’t hurt to extend their brand into the living room.

#### **DB**

It’s no secret that many telcos are going to find it hard to sustain top-line revenues in future, especially as old bastions of control such as numbering and roaming start to get eroded by technology and regulatory trends. Operators will need to spend some money on actual, real innovation — and generate unique services rather than rely on the grindingly-slow pace of standardization and interoperability. Fundamentally, operators ought to be able to beat Facebook or Skype or Google at their own game. But to do so, they need some proper R&D and a propensity to act more spontaneously.

## **NEWS DIGEST**

With most analysts agreeing that location-based marketing is one battleground where network owners can stave off OTT competition, AT&T’s new ShopAlerts service is already proving popular with brands like HP, JetBlue and the National Milk Mustache “got milk?” Campaign.

Popular protests in Egypt and other Middle Eastern countries are finding a voice around the world using speak2tweet; the voice driven social media service touted by Google, Twitter and SayNow. Also in the social sharing sphere, Brazilian start-up RedRover is enabling parents to make play-dates on the fly, while radical in-call sharing app Thrutu is threatening to revolutionise the voice call, and is now available on Android platforms, with iPhone and Blackberry versions coming soon.

Having decided not to attend Mobile World Congress in Barcelona, Apple has thrown their own party in Cupertino to unveil the dazzlingly samey iPad2. Taiwanese suppliers ramp up to meet expected demand of 3 million units in the first quarter of 2011, with high expectations for year’s end.

Telecom continues to grow fastest in developing markets, though a new trend is for an operator such as Vietnam’s Viettel to expand out of region. With networks in Haiti and Mozambique already, the operator now plans a ten-year \$400m investment in Peru.

In the UK press, all has been comparatively quiet on the BT front, with TalkTalk/Tiscali taking the limelight for their misfiring billing platform, T-Mobile capping data limits, and Vodafone being the victim of datacenter burglars.

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## NOW AND THEN BIG NUMBERS

### FROM THE NEWS VAULTS: “THE VOICE OF THE FUTURE”

Tellme’s voice-enabled network platform — which powers its directory and sits between the traditional circuit-switched phone network and the Internet — can also replace all the infuriating, user-unfriendly embedded voice-mail applications that thousands of businesses are saddled with. These businesses can turn to Tellme for the outsourcing of all the infrastructure required to answer any phone call with a superior, friendly, and economical voice-activated application (ultimately, in any language). Think travel reservations, mail order, customer service, stock trading.

The revenue implications of this are staggering. Ken Hyers, an analyst at Cahners In-Stat, a research group, expects the voice-portal market to reach \$5.3 billion in annual revenue by 2005 (with \$1.6 billion coming from advertising, sponsorships, and e-commerce and \$3.65 billion from reselling marketing profile data).

### SKYPE AND GOOGLE HAVE LESSONS FOR OPERATORS IN HOW TO COMPETE

Telecoms operators the world over are terrified about the long-term impact of Skype, the over-the-top internet company that offers free voice and video calls the world over between Skype customers, and cut-price calls to regular phone numbers.

Trouble is, for Skype-to-Skype calls the word “customer” doesn’t really apply, as the software is free to download and use: all the customer needs is a broadband service. Skype gets nothing, but neither does the broadband provider.

Skype customers do pay for two optional features: a phone number where ordinary callers can reach them — calls are diverted to their Skype service — and a feature called SkypeOut, by which they can call standard fixed or mobile numbers around the world, at rates from 0.019 (\$0.0257) a minute upwards or less with a monthly account.

## VOICE PROS PEOPLE TALK

### IRONMAN MIKE JAMES

Challenges are Mike James’ specialty — from technology and rescue work, to taking part in Ironman competitions.

A long-time Metaswitch technical expert, Mike is Director of Systems Engineering for the Asia Pacific region. He lives at 10,600 ft. altitude, in Breckenridge, Colorado, from where he volunteers as Field Team Leader with Summit County Rescue Group, one of the busiest mountain rescue teams in the Rocky Mountains. In addition to skiing, biking, running and hiking to stay in shape, Mike then started



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competing in triathlons. He subsequently looked for a greater challenge with his first Ironman in Cozumel late last year. What's next? Maybe the Kona Ironman or spending more time restoring his 1966 Aston Martin DB6. He does love a challenge!

## BACK TO NATURE WITH TONY HECKARD

After a busy week of email, phone calls and technology, why not get away from it all to enjoy the great outdoors like Tony Heckard, manager of the Metaswitch Solution at Canby Telcom in Oregon.

Tony is a volunteer with Backcountry Hunters and Anglers, a national non-profit organization working to ensure that Americans have a healthy habitat that also supports hunting and fishing. Tony co-founded the group in 2004 to ensure that America's outdoor heritage — clean water and wilderness — is preserved through education and work in these areas. Just like Teddy Roosevelt, a dedicated outdoorsman who helped establish the National Park Service, Tony's love of hunting and fishing inspired him to take this active role in preservation.



## ONE MINUTE IN VOICE Colin Fourth

**IN THIS ISSUE, BEN MET UP WITH AWARD WINNING FILM STAR AND UPPER-CLASS GENTLEMAN, COLIN FOURTH**

**BM** Hello, is that Colin?

**CF** Yes. Ignore the squeaky voice. This is how I talk normally.

**BM** My word, I had no idea. You sound like Mickey Rooney on helium.

**CF** You are too kind...

**BM** Congratulations on all the film awards you've won. I expect you have strong views on the role that voice has in public life?

**CF** Speaking from personal experience, it's certainly a key skill for a film actor. I think most of the directors I've worked for have been very keen on it. Ever since silent movies got phased out really.

**BM** But public speaking must be so nerve-wracking; could you empathize with the notion of a King }finding it so difficult to express himself?

**CF** Yes, people hang onto every word they say and that creates pressure which in turn makes the problem worse. Voice goes deep into the heart of the emotional being, don't you agree?

**BM** Indeed, and deep into the ear.





**CF** Yes, beauty is in the ear of the beholder, so they say.

**BM** And thank you so much for waxing lyrical for us today.

**CF** It's been a pleasure. Mind how you go now. Toodle pip!

**BM** Toodle pip.