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The IP Transformation Challenge

Michel Rahier

Antwerp – 12 September, 2006

IP
TRANFORMATION
CENTER

ALCATEL

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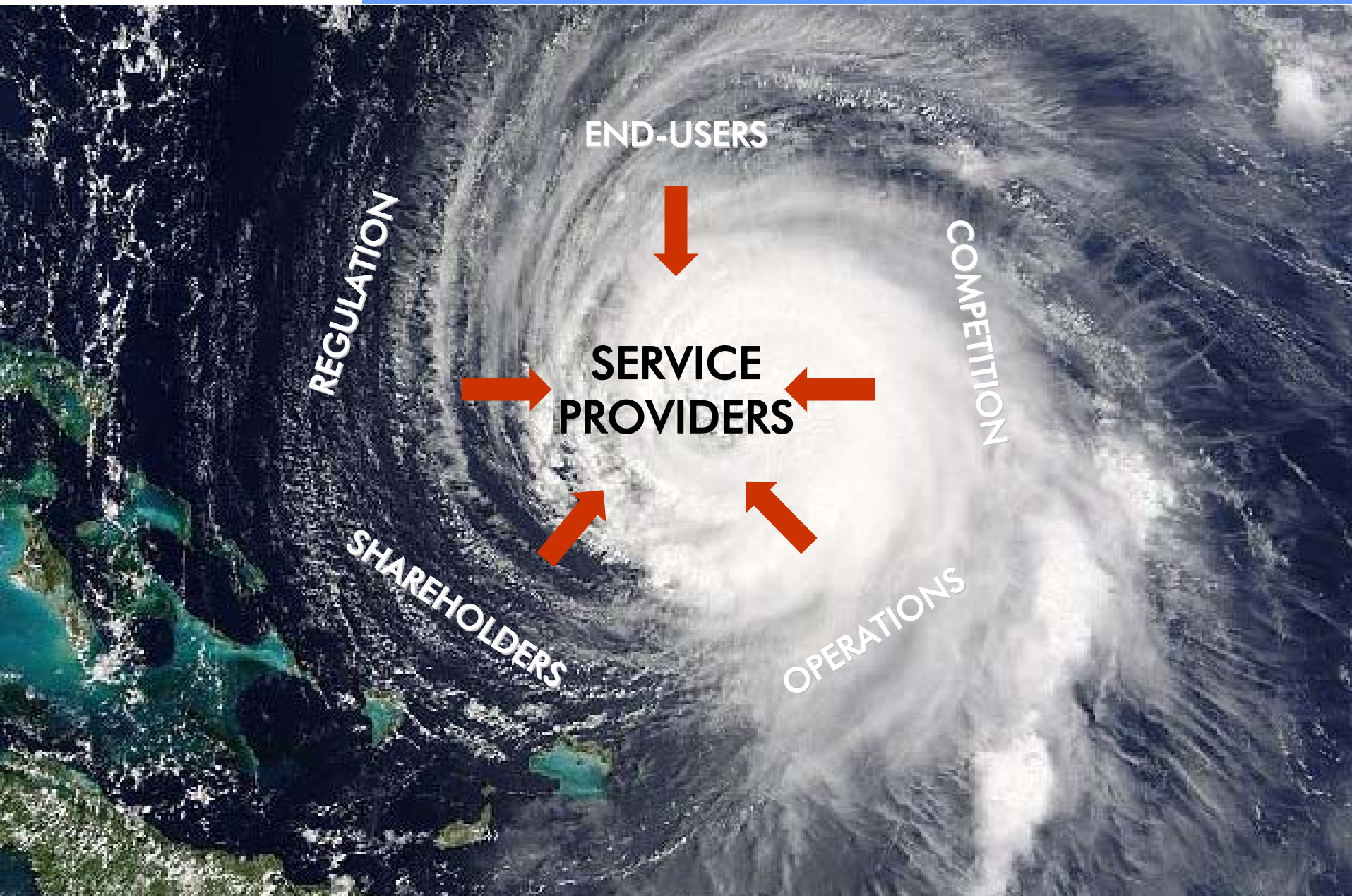
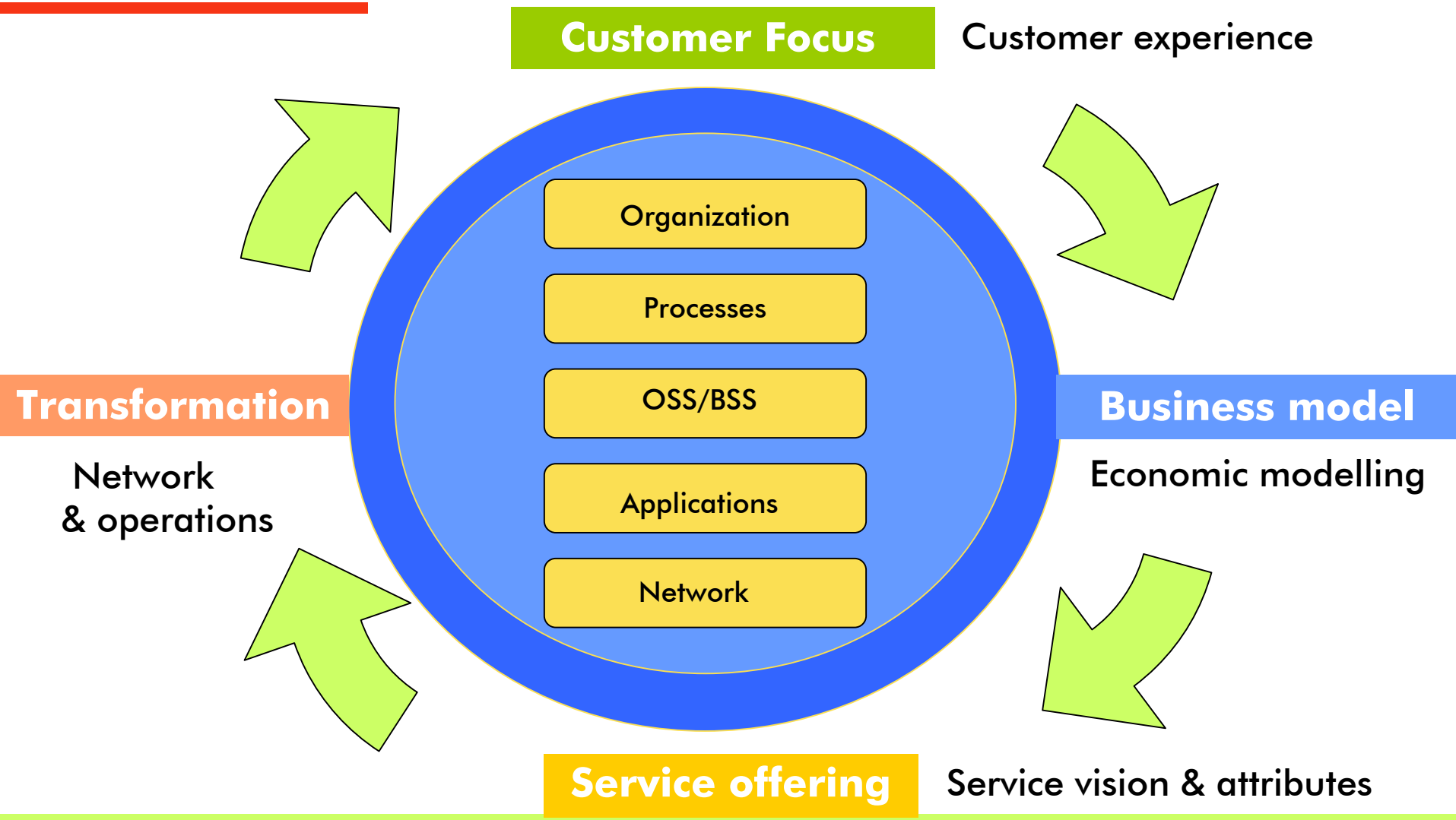
High Pressure for Service Providers?



Transformation…Now!

- Economic rationale:
  - Sustain EBITDA margin
  - Compensate for decline of traditional revenues with OPEX improvement and revenue stabilization
- Commercial rationale:
  - Fight competition with service bundles
  - Manage churn, improve customer retention
- Business rationale:
  - Revise business model with new partnerships
  - Create sustainable value through service innovation/differentiation

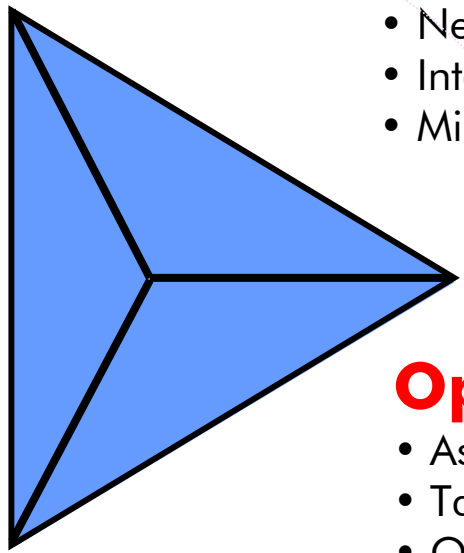
Transformation Path



Transformation Path

Network Simplification

- Assessment & Analysis
- Target Architecture
- Network Solution Roadmap
- Integration & Implementation
- Migration



End-User Service Innovation

- Assessment & Analysis
- Target Service Attributes
- Services-Implementation Roadmap
- Alternative Business Models for Service Delivery

Operational Efficiency

- Assessment & Analysis
- Target Process & Organization
- OSS/BSS Solution Roadmap
- Integration & Implementation
- Alternative Partnership Models for Network Operations

Innovative Multimedia Applications

Consumer Applications

MUSIC

Personal Ring-Back Tone

Music, Video Content Delivery

VIDEO

Voice/Video Calling

Triple Play/IPTV

Video Mail Box

Security/Blog

Video MMS

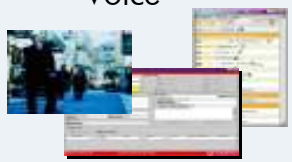
Mobile TV

Multi-Access Mobility

One Phone

Enterprise Applications

Mobile Office Voice



Voice and Video Conferencing

Multimedia Conferencing

Payment and Common Capabilities

Real-Time Payment

Advanced Flexible Rating

Mobile Kiosk

Content Value Charging

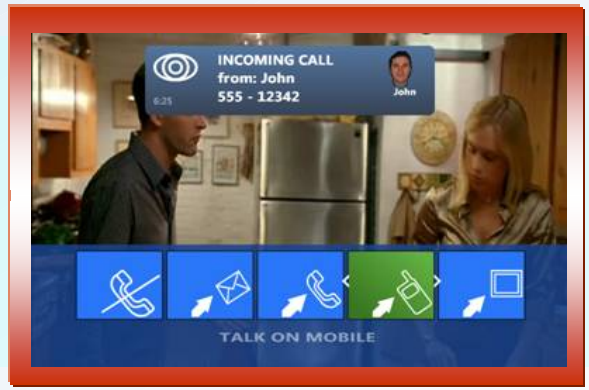
Location

Presence

Announcement Machine

User Profile

The Under-Served End-User Demand for Personalized Services



Broadband VoIP

One-Phone

Phone to TV

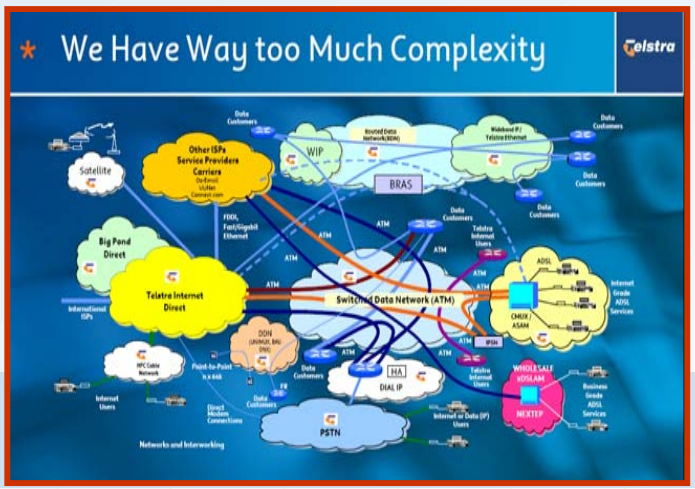
TIME
May 2006

"Of all the hyped technology predictions of recent years, the most believable are usually the ones that allow people to do more easily or better things they already want to do — like shopping, talking, getting information."

The world is moving to IP…
…as services are becoming user-centric

Now benefiting from an all-IP world

- Simplified architecture, economical to operate
- Flexible and scalable platform
- For both enterprise and consumers
- Fast introduction of innovative, user-centric services
- Telstra's example…



Alcatel: Leading Transformation Projects Across the World

Triple play

40+ projects

- Up to 100 M subscribers by 2010

Network Transformation

40+ projects

- Services & infrastructures convergence to IP

AT&T, Project U-verse

Roll out a state-of-the-art fiber optic network

Deliver IPTV, video-on-demand (VOD), high-speed Internet,… to 18 million US households

End-to-end integration

Network provider: access, IP routing

Video service integrator: Head end, middleware, content management, conditional access and DRM, home networking and set-top boxes

Integration lab in Plano, Texas

BT, Enterprise Fixed-Mobile Conv.

Enterprise users reachable on dual mode handset using one single phone number

Targeting large business customers in UK and Europe

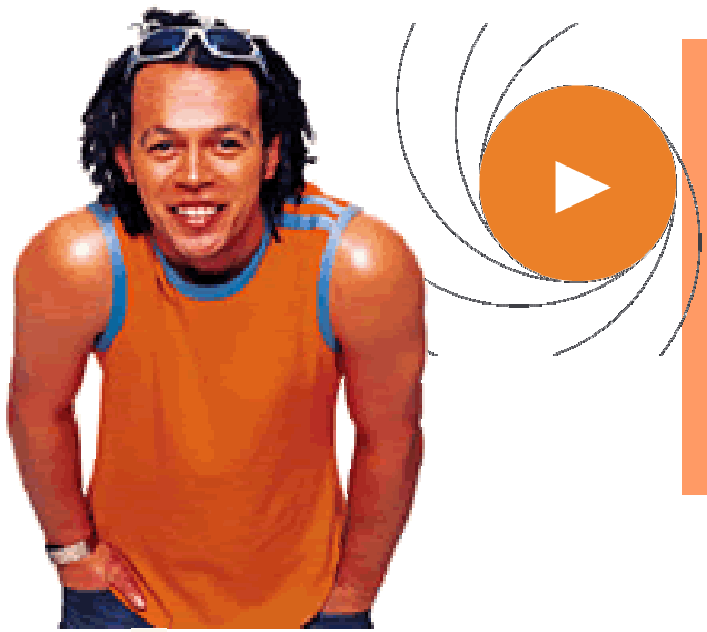
Prime contractor and systems integrator:

- **Design, integration (including 3rd party) and testing of end-to-end solution**
- **Supply platform elements from Managed Communications Services portfolio**
- **Ensure solution integrates seamlessly into BT's enterprise customer sites**

Telecom New Zealand

Evolve existing infrastructure to NGN while reducing complexity

Optimize service delivery (time, provisioning, etc)



End-to-end IP transformation including:

- **Business case development**
- **Network architecture and transition steps**
- **Full solution delivery**
- **Full voice migration to IP**
- **Network operations/outsourcing**

The World's Premier Networking Vendor

#1 Broadband Access

xDSL, MSAP/DLC

#2 Carrier Ethernet S/R

Consumer, Enterprise

#1 Optics

Terrestrial, Submarine

ACCESS LEADERSHIP

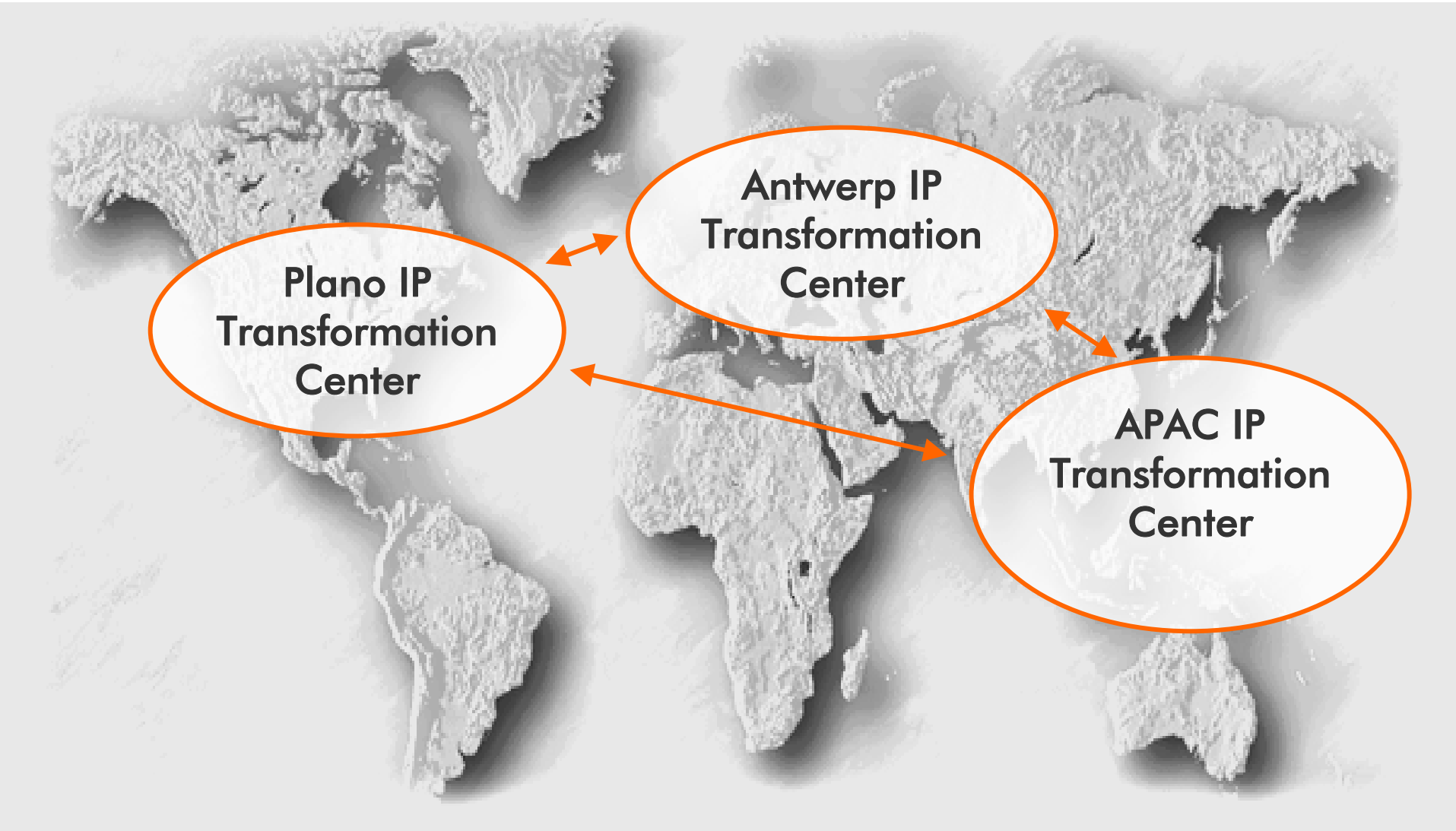
IP / ETHERNET ROUTING LEADERSHIP

OPTICAL NETWORKING LEADERSHIP

Making Change More Predictable

- Speed-up transformation
  - Share best practices
- Control risk factors
  - Manage interdependencies
- Ensure performance & stability
  - In-lab integration and validation

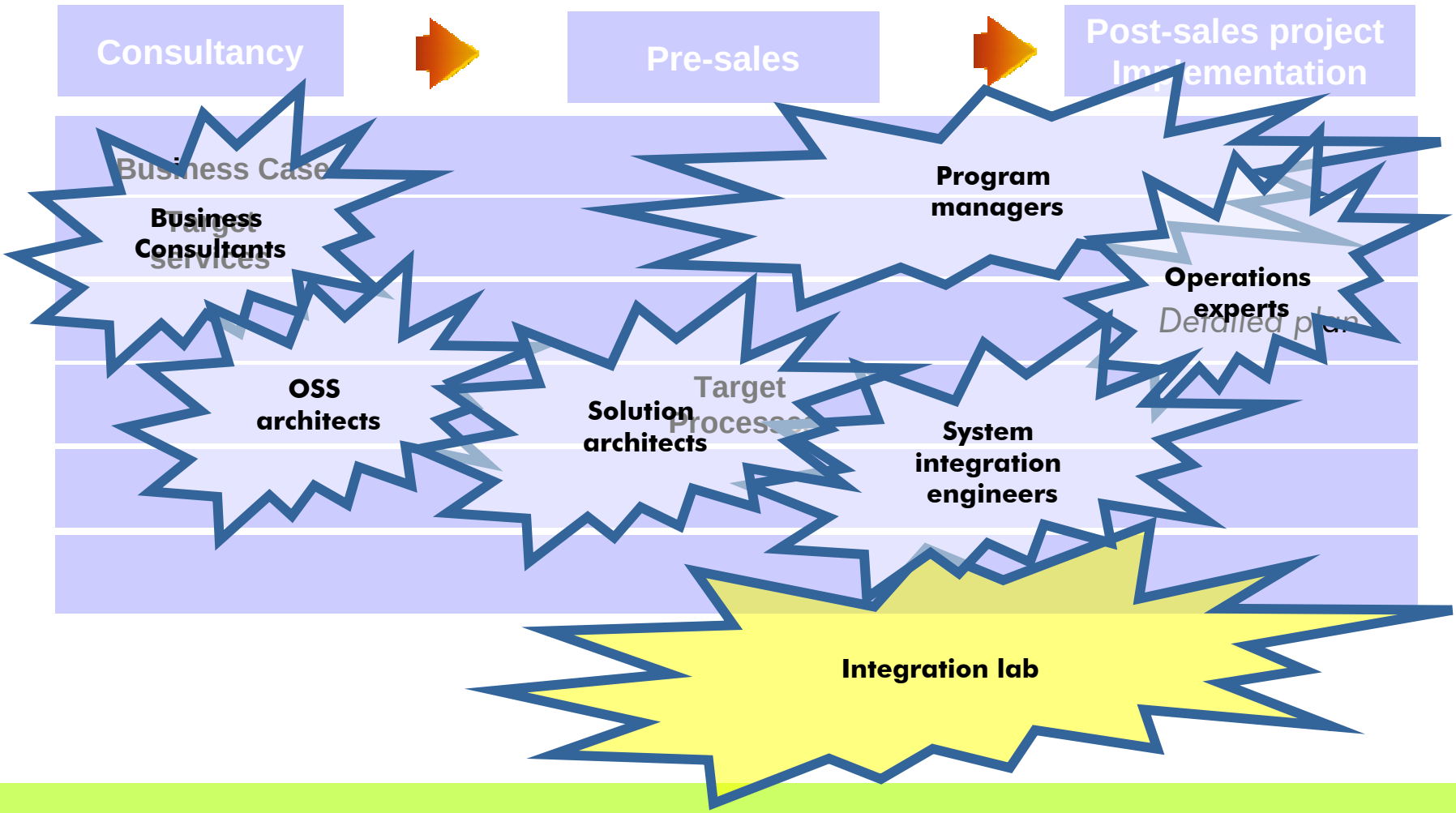
Alcatel IP Transformation Centers



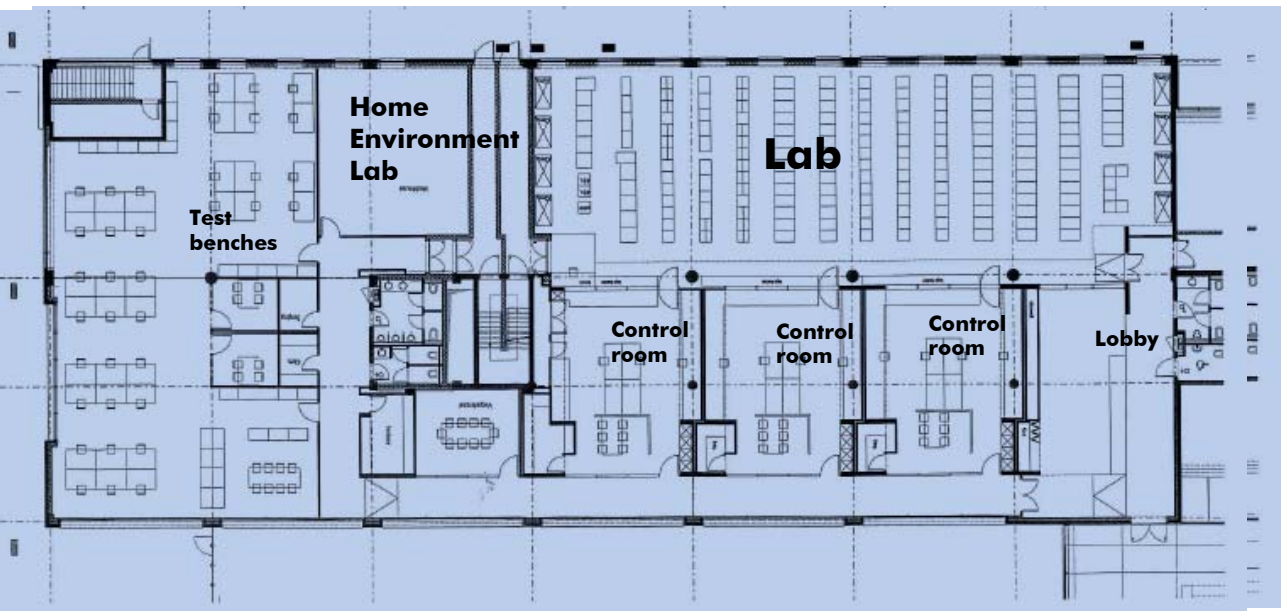
Antwerp IPTC: Mission

- Assist our customers in defining their business transformation journey
  - Design, integrate and test end-to-end customer specific solutions with operational support systems
  - Build Pre-integrated Alcatel reference solutions
  - Leverage IP transformation experience gained across the world in conjunction with Plano and Sydney

Central pool of experts and the integration lab capability is unique



Antwerp IPTC Integration Lab facility



- 1500 M2 E2E integration and test facility dedicated to our customers
- Significant flexibility
- Full Alcatel portfolio and that of our partners

Welcome to the Antwerp IPTC!

First center of such scale in Europe

100+ experts 50+ technologies

End-to-end integration & test facility covering CPE, networking, core, application platforms and OSS

B R O A D E N Y O U R L I F E

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