

HOT INTERVIEWS

Philippe Millet
Chairman, i3Forum



Philippe Millet **The Future is IP**

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IP Exchange (IPX) is ever more a subject of conversation in the industry, and is seen by many as one of the key accelerators to full IP transition.

Numerous providers and customers have been delaying their decision to migrate to IP, however the advent of LTE, HD Voice and services requiring high quality, secure interoperability is triggering a more immediate need for this transition.

IPX is one solution to this challenge, however it is still misunderstood and many do not really grasp the full potential of this platform and the benefit it can bring.

I recently had the pleasure of talking with Philippe Millet, Chairman of the i3Forum, about what they are trying to achieve to help the industry's evolution to IP and how IPX fits into this ongoing effort.

The Quest

The i3Forum (www.i3forum.org), created over 5 years ago, is a group of 48 International carriers with the mission to do everything it can to foster, accelerate and help the transition of the International wholesale industry to IP. Here is what Philippe had to say about what they are trying to achieve and what their plans are going forward.

'Our role is to help the transition of International interconnections to IP for all services.'

'We look at IPX as one of the paths forward even though there are other ways to transition to IP. Up to now, we have been focussing on voice and have not really looked at the pure data side of things yet but we are gradually going there and are spending more time now on multi-service IPX. We are looking at everything that will eventually need to work over an IP network and will work in a similar way as voice works today.

We are therefore gradually incorporating in our set of recommendations how to support not only voice but other services and to provide guidance on the various ways the industry can go about transitioning and implementing these services over IP.'

'We are not into promoting just one flavour, just one view of things, just one vision...'

'We are really trying to be pragmatic and to look at the various environments and the range of situations carriers are in and to make recommendations that will be practical for as many people as possible.

Other things we have been working on include **quality** and **security**. On the quality side, we have been working on how to measure it, how do you commit to it when moving to IP and on possible solutions with vendors on all those aspects. Security is another angle we are focussing on because it is a significant concern when carriers are moving to IP.'

'In some people's mind there is the GSMA's IPX or the i3Forum's IPX, but it is not that way at all.'

'Since the very beginning, we have been working with the GSMA, looking at their specifications and trying to understand how we could make that work for the voice world as it is today. We have come up with multiple change requests and suggestions and throughout the years we have established not only smooth and efficient cooperation but also we are now at the stage where we work closely together on plans and on what needs to happen next.

This applies whether it is on deep transformation of the way we need to deliver services, or operational issues to try and accelerate the effective migration to IP. We are working with multiple groups within the GSMA and they see the value that we bring and vice versa. We are really working in the same direction.'

The Game Changer

The next 3-4 years will be decisive in terms of how the IP transition will occur, what services will be offered and how, and who will be the main providers. Here is an insight of what Philippe sees as the possible path going forward, the main triggers and challenges.

'IPX and its multiple definitions and visions is an excellent path to IP or what it could be when it will be fully implemented.'

'IPX is creating interest as a mechanism for migration to IP so it is a very good vehicle to promote IP in general. But more than that, it is transforming the industry in multiple ways, way beyond changes in technology. It is really a change for service providers, it is also a change for carriers in the middle, in terms of services they can run and in terms of how they run their business and services. And it may also be a game changer in the industry itself because with the transition to IP, comes a whole lot of challenges along with a range of opportunities to do things in a much smarter and more efficient manner.

Service providers that embrace IP and that will take those steps first will be in a position to refresh and reinvent, at least in part, the wholesale business, in the same way that carriers do with the services they offer to their retail customers.'

'IPX is a potential game changer.'

'It is potentially something that might shake the entire industry. I am not sure it will be the main driver for the consolidation of the wholesale industry but it is likely to trigger some of it. At the same time, you have to keep in mind that the entire thing is moving very slowly. We are talking almost geological times. Even if everyone in the industry, service providers, vendors, carriers were doing their utmost to make that happen as quickly as possible, it will take years for the whole industry to complete its migration to IP. So yes it is happening, but it is happening slowly.

In that sense it might help some service providers to emerge as players that are taking advantage of that transition and that are reconsolidating the business. But it is not an earthquake that will suddenly change everything. **It is an evolution not a revolution.**'

'There are a number of things today that are slowing down IP transition.'

'First there are a lot of stakeholders in the industry that are still trying to get their head around it and understand what it is, what it means and what are the implications for themselves. Not everyone has the same level of understanding in regards to what it means for their business, what is in it for them and what are the challenges to transition.

Secondly, you have the more traditional concerns such as cost. It is a huge endeavour which has deep consequences internally in terms of how you run your business: the organisation, the skill sets, the business model. So all these things take time.

Finally, there are concerns about what happens to quality, security and the overall business model.

So there are lots of questions and people need time to find answers and make their own decision. This is exactly what we are trying to do: provide answers, suggestions, and recommendations which people can trust and can work with.'

The Triggers

'Up to now there was no compelling or burning issue forcing everyone to move quickly or urgently to IP.'

'Because the current world works pretty well, even when you understand what the potential is for an all-IP world, you may feel no urgent requirements to do it now. So it has taken time and will continue to do so.

I think once the adoption by mobile carriers of VoLTE and LTE in general is really widespread, the urgency will increase. A lot of global carriers who were thinking about moving to IP early on, decided to play more of a waiting game, as they were going to pay a lot of money just to move to LTE a couple of years later. So it did not make sense for them at that time.

However, now that there is more clarity on the path forward for a lot of MNOs, they are starting to feel some pressure to migrate. They will be accelerating the introduction of LTE and that in turn will accelerate the overall transition to IP. If a large number of the service providers start migrating, it should have ripple effects throughout the industry and introduce a sort of snowball reaction.

There are other services such as RCS that will be triggers, but there is a danger of a catch-22 situation because for RCS to work you need to have a lot of operators already connected to IP. You need an initial catalyst and LTE, being a much deeper change, may have that effect.

Once the momentum is created, there will be a whole lot of things that will help accelerate it and help it happen even quicker. Also TDM is approaching an end of life situation and in the long run, TDM will be supported by a decreasing number of vendors. So the question is: how do you deal with end of life? You cannot hang on for very long to a technology that is not supported.

Another big driver for this to happen is the sheer pressure on companies' bottom line. Even if transitioning to IP has an initial cost, the resulting savings will be significant and this is proven by carriers who have already transitioned. Survival with a higher cost base than others will be very difficult, so early transition certainly has its rewards.

Combining all those things should create the momentum and critical mass that we need to create the snowball effect. It is starting now and will only accelerate.

On top of all the good reasons for embracing that change, transitioning to IP is also - and maybe mostly - about seizing new opportunities, shaping your own future and the competitive landscape. It is a strategic move, one that can put the carriers and service providers who move first in a position to redefine the game.

Our view is that we need this to happen very quickly, as quickly as possible as a matter of fact. We are putting a lot of effort in trying to help the industry take the necessary steps, which really is the *raison d'être* for the i3Forum!

Anyone interested in knowing more about the i3Forum, can visit their site at: www.i3forum.org or can participate in their next conference, to be held in Chicago on May 16, 2013.

The Author behind the Article:



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