Solutions for Next Generation Service Providers

Business Overview

We Create the Network, You Create the Value
Cisco and Italtel Solutions Portfolio

Italtel and Cisco Systems® have teamed up to help service providers achieve and maintain high performance while creating high-margin revenue opportunities.

The strategic alliance between Cisco® and Italtel provides integrated carrier-class solutions to service providers, which bridge the gap between traditional public switched telephone networks (PSTNs) and advanced IP data networks.

The Cisco and Italtel solution portfolio includes:

- **Next-Generation Network (NGN) for PSTN Transformation**—Implements traditional voice services (PSTN) with innovative VoIP technology
- **Integrated Networked Business Voice Solution**—Helps service providers deliver IP voice services to business customers through a managed or hosted IP PBX model
- **Residential Voice over Broadband**—Empowers service providers to offer innovative IP-based applications (such as voice and video) for broadband residential users
- **SMB – Managed Office**—enables Service Providers with a network platform to build Managed Service offerings for the Small-Medium Business.

Cisco and Italtel have strong worldwide references for all three solutions. The solutions complement each other, not only because they can coexist for the same customer, but also because they enable strong synergies. A service provider can take an incremental approach, starting with a minimal deployment and scaling up to a full NGN implementation capable of delivering innovative services to business and residential customers.

The Cisco and Italtel portfolio addresses the challenges facing service providers, including:

- Controlling operating costs and capital investments in TDM technology, and solving the obsolescence problems that affect both the transit and the access level of the PSTN.
- Seeking new and high-margin revenue streams while reducing customer turnover and attracting new customers.
- Enriching the broadband connectivity offering with new services that create new values, attract customers, and increase revenues.
NGN for PSTN Transformation Solution

The Next-Generation Network (NGN) for PSTN Transformation solution helps service providers migrate their TDM network to VoIP. This migration happens both at the transit level and at the access level. The solution also allows service providers to leave their PSTN as it is and use VoIP technology for network expansions, easily integrating existing TDM assets. Both PSTN migration and expansion to VoIP are completely transparent to end users, requiring no changes in the customers' premises, and aims for a complete features parity with PSTN.

With this solution, service providers can expand, optimize and consolidate their existing TDM networks while planning an evolution toward innovative IP-based services. As a network migrates, the opportunities for new services include the integration of enterprise business IP Communications—a high-growth market—as well as residential VoIP telephony over broadband.

Service Provider Benefits

The NGN for PSTN Transformation solution provides valuable benefits to service providers that intend to replace or expand their PSTNs with VoIP technology:

- **Significant operational expenditure (OpEx) savings**, arising from the following two circumstances:
  - Replacement of a traditional or obsolescent technology with a new one, with more compact and less consuming equipment, allowing for a reduction in the number of nodes, use of open interfaces, etc.
  - Adoption of IP, allowing reduction in transmission and bandwidth requirements, easier and more economic network management, etc.

- **Capital expenditure (CapEx) savings** coming from the capping of investments in TDM switch and network technology, from the reduced cost of IP technology, from the sharing of backbone resources between voice, data, etc. Additional savings can come from its high scalability.

- **Segue to new IP services**—The NGN for PSTN Transformation solution can be a foundation for the Integrated Networked Business Voice Solution using Cisco Unified CallManager, or the Residential Voice over Broadband solution to deploy IP-based voice services for the consumer market.

- **Synergy with broadband access deployment**—Support of multiservice access gateways to packetize voice at the edge of the IP backbone with minimum customer impact or cost, suitable for mass broadband deployment.

Customer References

- Telecom Italia in Italy
- Hansenet in Germany
- Telekomunikacja Polska (TP) in Poland
Integrated Networked Business Voice Solution

Cisco and Italtel’s Integrated Networked Business Voice Solution helps service providers offer both managed and hosted IP PBX services to their enterprise customers, transforming the customer’s move to IP telephony from a complex technology transition to a simple business decision.

The solution allows a service provider to offer outsourced services in addition to access connectivity, while maintaining a business model based on license fees. As a result, customers enjoy all the advantages of a fully integrated IP-based solution (IP PBX, unified messaging platform, etc.), and the advantages of a fully outsourced service.

Service Provider Benefits

- **Increase competitiveness**—A managed or hosted services model helps secure business for service providers and lengthens their customer relationships. IP-based business voice services can attract new customers and reduce the turnover of existing ones.
- **Increase of average revenue per user (ARPU) over time**—Innovative services can allow providers to establish premium rates.
- **Generate new revenues from out-tasked services**—New service bundles compensate for loss of traditional voice services.
- **Exploit growing demand in IP VPN market**—IP-based voice services, bundled with IP VPNs, maximize the investment in IP Multiprotocol Label Switching (MPLS) infrastructures and in IP broadband access (such as xDSL and Ethernet to the home [EtTH]).
- **Add new customers at low incremental cost**—The equipment providing the call control function is shared by multiple customers and the service logic function is owned and operated by the service provider, while customers need only traditional phones or IP phones on their desks.

End-Customer Benefits

- **Lower total cost of ownership**—Reduces staffing, equipment, and long-distance call costs; simplifies management; accelerates introduction of new IP-based applications, etc.
- **Focus on core business**—Enterprise IT departments avoid managing equipment and can reallocate operations staff to support strategic business objectives.
- **Enhanced productivity**—All sites, including remote offices and headquarters, can use the same communications applications and features.
- **Increased flexibility and scalability**—Companies can take advantage of the inherent scalability and geographic reach of the service provider’s infrastructure, thus expanding their own networks.
- **Increased reliability compared to an in-house IP PBX solution**—The service provider’s carrier-grade network is designed for resilience and superior voice quality as well as for supporting service-level agreements (SLAs).

Customer References

- Telecom Italia in Italy
- Orange in Spain
Residential Voice over Broadband Solution

With the Residential Voice over Broadband solution, service providers can deliver voice services in a scalable manner to their residential subscribers over broadband access networks. There are two major options: either low-cost VoIP lines in addition to the traditional voice line, or a substitution of an existing TDM service with a VoIP-based one. The first option is suitable for incumbent service providers who do not want to jeopardize their existing voice services or for challengers who want to enter a market with an innovative offering. The second option is suitable for challengers aiming to bundle broadband access and voice services at a nominal incremental cost. The Cisco and Italtel proposition sets up a robust IP-based infrastructure capable of supporting a variety of services and creates a service-level architecture to deliver feature-rich VoIP applications.

Service Provider Benefits
The Residential Voice over Broadband solution allows service providers to capture next-generation services opportunities and helps them to:

- **Retain and expand customer base**, fending off the competition coming particularly from mobile operators.
- **Deliver multiple revenue-generating services** over a single access infrastructure, increasing the ARPU.
- **Provide low-cost additional virtual lines** using only one copper pair, to increase voice traffic and to improve the gross margin per user (GMPU).
- **Satisfy a diverse portfolio of users** by supporting different innovative devices (multimedia PCs, IP phones, digital enhanced cordless telecommunications [DECT], or Wi-Fi phones).
- **Become market innovators in fixed-communication services** with the introduction of innovative mobile-like applications and devices.

End-Customer Benefits

- Rely on more competitive service offerings.
- Experience increasingly advanced triple-play services, with a specific focus on multimedia communications and on-demand content.
- Personalize the fixed communications: offer one phone number for each family member, with personalized services and applications, over a single telephone line.

Customer References

- Ono in Spain
- SFR in France
- Belgacom in Belgium
- Tellas in Greece
- Telecom Italia and BT Italia in Italy
SMB – Managed Office Solution

SMB Managed Office is an end-to-end solution enabling Service Provider to deliver IP managed services to Small-Medium Business (SMB) customers. This solution allows Service Providers to address target market composed by small-medium enterprises by offering Managed Services leveraging their own cutting-edge network technologies and management expertise. As an example, Service Providers can offer, for a monthly fee, a complete set of managed services, including:

- Broadband connectivity
- Managed security: firewall remote configuration
- Managed Local Area Network (LAN)
- Unified Communication services

**Service Provider Benefits**

- **Differentiate the offer** from competition
- **Increase the market share in the SMB segment**, not leveraging on low prices but on an innovative proposal
- **Increase the revenues per SMB customer**, because of the bundling of different services on top of connectivity, and the introduction of innovative services and applications (for example, video, fixed-mobile convergence, collaboration, personal call management, and IP contact center).
- **Reduce the management costs** and allow the service provider to assure the SLAs
- **Improvement in customer administration (OpEx reduction)**, because of a centralized management system that simplifies user activation, creation and reconfiguration, and equipment Move & Change operations.

**End-Customer Benefits**

- **Reduced costs**: outsourcing of all the connectivity, data and voice services management to one single provider.
- **Customizable solution**: richer and more flexible than any “Centrex like” solution.
- **Comprehensive reliable solution**: security, troubleshooting & maintenance guaranteed by SP
- **Enhanced productivity**: support for Web based collaborative applications.

**Customer References**

- Telecom Italia in Italy
Italtel and Cisco Strategic Alliance

The Italtel and Cisco Strategic Alliance has been deploying VoIP infrastructures for service providers since 2001, so that operators worldwide have been able to both cut their costs and to offer innovative services to their customers.

The Strategic Alliance mission is to drive the development and implementation of integrated voice-data-video carrier-class solutions for Fixed and Mobile Telecom Operators, Large Enterprises and Public Sector. Together, Italtel and Cisco focus on multiservice network solutions providing customers with Cisco and Italtel wide experience in the Internet and in the telecom field.

About Italtel S.p.A.

Italtel is an acknowledged leader in NGN (Next-Generation Network) solutions, particularly in the area of the softswitch technology, which is the hardware and software platform that lies at the heart of next-generation networks. In fact, according to Infonetics Research “Service Provider VoIP Equipment and Subscribers Report” (4Q08 edition), in 2008 Italtel ranked fourth in terms of sales revenue in Worldwide Softswitch Market with a share of 6% and got the bronze medal in Emea (Europe, Middle East, and Africa) Softswitch Market with a share of 16%. In terms of global offering, Italtel activities are focused on:

- Next Generation Networks and Services, IP Data Networks, IMS, IT and Multimedia Solutions (proprietary products, systems, and solutions)
- Operational Support Systems (OSS) and Business Support Systems (BSS) (proprietary products, systems, and solutions)
- Network Engineering and Consultancy activities, based on Next Generation Networks design, interworking and service management systems, implementation and operation
- Global System Integration
- Professional Services, Outsourcing, SaaS (Software as a Service)

Information about Italtel can be found at www.italtel.com.

About Cisco Systems, Inc.

Cisco is the worldwide leader in networking that transforms how people connect, communicate, and collaborate. Our technology is changing the nature of work and the way we live. Founded in 1984, Cisco pioneered the development of Internet Protocol (IP)-based networking technologies. This tradition continues with the development of routing, switching, and other technologies such as application networking services, home networking, security, storage area networking, TelePresence systems, unified communications, video systems, and wireless.

As an innovator in the communications and information technology industry, Cisco and its valued partners sell Cisco hardware, software, and services to businesses of all sizes, governments, service providers, and consumers.

Information about Cisco can be found at www.cisco.com.

Examples of Italtel and Cisco alliance customer references:

Contacts

For more information on how Cisco and Italtel can help you achieve success, contact info@italtel-cisco.com and visit www.italtel-cisco.com.

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