

TELSTRA: Top Hat passes 200,000 premises

NBN: Early sell-off to fund Gillard promises?

ALCATEL COMMENT: Time for action on energy use

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Comms minister asks for framework to increase telco product transparency

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ISSUE 4283

ACMA gains new consumer protection powers, turns up heat on TCP code compliance

Just days after the registration of the Telecommunications Consumer Protection code, communications minister Stephen Conroy has armed the Australian Communications and Media Authority with extra powers to further strengthen customer rights.

And while ACMA chairman Chris Chapman has welcomed Conroy's announcement, he's also made it very clear that the Authority's first order of business will be taking a hard line to ensure compliance with the TCP code itself.

Speaking at the Australian Communications Consumer Action Network national conference in Sydney, Conroy warned industry that while the TCP code addressed current issues, he would also be expecting industry to proactively address new concerns as they emerged – and providing the regulator with the tools to make sure those concerns were properly met. “It is the responsibility of the government, and the ACMA as the industry regulator, to ensure that consumer interests are protected,” he said. “To this end... I am providing the ACMA with new powers to make service provider determinations on consumer protection matters. This will provide the ACMA with the flexibility to introduce consumer protection measures if satisfactory consumer outcomes are not being delivered.”

A service provider determination is a rule, enforceable by the Authority, that applies to all service providers; Conroy noted that such rules could cover areas such as advertising and promotion, terms and conditions notifications, and complaint handling.

The minister sought to reassure industry that the regulator would be required to undertake “effective consultation” before making any determination. He also noted that he still expects industry to take primary responsibility for achieving good customer outcomes, and that he would look for the ACMA to work with industry to ensure the TCP code was working before moving to use its new determination powers.

“However, we know that these processes can be slow and protracted,” he said. “If the outcomes we seek for consumers are not occurring the ACMA will now have the ability to act rapidly to place new enforceable requirements on service providers.”

INDUSTRY RESPONSE: Communications Alliance CEO John Stanton was quick to respond on behalf of the industry, reinforcing its commitment to customer service but warning against any duplication of efforts or unnecessary regulatory impost. “Industry's intention is that the strength of the new TCP Code and service providers' commitment to providing excellent service to customers will mean that the new ACMA powers will never need to be used,” he said. “Certainly we believe that regulatory determinations should not be made in circumstances where the same outcome could be achieved via the TCP Code.”

“We welcome the confirmation from the minister and ACMA Chair, Chris Chapman, that the ACMA will consult with affected parties – which would include the telco industry – before making any deter-



Stephen Conroy & Chris Chapman yesterday.

Credit: Richard Van Der Male, ACCAN

minations,” he added. “Industry is also pleased that the ACMA will need to verify whether a formal regulatory impact process is required to see if a proposed determination would generate a net benefit.”

CHAPMAN TURNS UP THE HEAT: Chapman himself welcomed the ACMA’s new powers as a means of addressing new customer care issues as they sprang up. But regarding the Authority’s immediate priorities, he made it abundantly clear that the regulator would be taking a hard line on ensuring compliance with the freshly registered TCP code itself.

“It’s now up to industry to prove its mettle through action. Frankly, they simply cannot afford, now, to snatch defeat from the jaws of victory,” he said.

“Enforcement action will occur where there’s flagrant or substantial non-compliance by a supplier. We will focus our interventions on key aspects of the consumer lifecycle, where compliance will generate the greatest consumer benefit; we’ve budgeted to undertake not less than 100 audits of providers’ compliance with key code rules during the remainder of this financial year,” he added. “So if you are an industry player, for heavens’ sake wise up!”

Petroc Wilton

Adams announces broadband product disclosure code

New Zealand comms minister Amy Adams has revealed a plan for industry regulation to make broadband product information more transparent for customers.

Adams said she’d asked the Ministry for Business, Innovation and Employment to start work on a regulatory framework which could include enhanced disclosure requirements for matters such as the total cost of a service, broadband speed, data caps and contract lengths.

“As the ultra-fast broadband network is rolled out around the country, consumers will need a clear foundation on which to consider and compare broadband offerings,” said Adams. “It is important that consumers are provided with accurate information about competing product offerings and are able to make informed choices.”

Although the Ministry’s efforts will initial focus on the residential market, Adams also said that communications product transparency for the business market could also be included in the work program further down the track. And, while she welcomed the recent move by the NZ Telecommunications Forum to develop its own code of practice, she also said there would be merit in the Forum’s code existing in parallel with the development of government regulation.

Petroc Wilton

PPC-1 upgrades to 500Gb/s super channels via Infinera

TPG’s Pipe Networks said it had selected American long haul fibre specialist Infinera to upgrade its PPC-1 cable between Sydney and Guam as well as its metro fibre network in Sydney.

Infinera said the use of the DTN-X platform on PPC-1 delivers in excess of 3 terabits per second of capacity. “It will also allow PIPE to deploy Infinera’s 100 Gb/s coherent wavelengths using high capacity super-channel transmission for the first time in the Asia-Pacific region.”

Pipe says the Infinera DTN-X platform was also selected for the company’s terrestrial network delivering 500 gigabit per second FlexCoherent super-channels to multiple data centres located in Sydney. Pipe claims direct connections to about ten such locations currently.

The platform supports 8 terabits per second on a single fibre, which according to Infinera “will significantly increase the capacity, scalability and resiliency” of Pipe’s metro fibre network in Sydney.

According to Pipe’s website, PPC-1 currently uses 10Gb/s wavelengths.

“Infinera’s solution for the 100G market provides our network with unique benefits which led to our decision to select the DTN-X platform,” said Lee Harper, head of network engineering for Pipe and the TPG Group. “The DTN-X platform’s interoperability between our existing terrestrial and submarine networks, its ease of use when provisioning services along with the elimination of transponders at cable landing stations all led to our decision. We move a significant amount of data around the country, and deploying the DTN-X allows us to distribute reliable, high-capacity services with great simplicity and with industry-leading provisioning lead times.”

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TUESDAY 9 OCTOBER

KEYNOTE SESSION

9am Shadow communications minister Malcolm Turnbull (TBC)
9.25am Alcatel-Lucent researcher and author Alison Cerra
"Identity Shift: Where Identity Meets Technology in the Networked-Community Age"
9.50am Telstra Wholesale exec director, sales Glenn Osborne
10.15am Optus MD Customer Vicki Brady
10.40 REFRESHMENTS sponsored by Overture Networks

MORNING SESSION sponsored by Brocade

11.00 Telstra CTO Hugh Bradlow
11.25 NextDC CEO Craig Scroggie
11.50 Ovum analyst David Kennedy *"The End of Voice?"*
12.10 Servcorp COO Marcus Moufarrige
"The Subscription Economy"
12.30 Brocade speaker TBC

12.55 Lunch sponsored by Telstra Wholesale

1.55 FTTH Council AP VP & Senko Advanced Components R&D director Bernard Lee
2.15 OzHub chairman Matt Healy

BILLING, OSS & CUSTOMER SERVICE FOCUS sponsored by Symbio Networks

2.35 Symbio CEO Rene Sugo
3.00 Oracle speaker TBC
3.20 Afternoon tea sponsored by Overture Networks

REGULATORY & POLICY FOCUS

3.35 Norton Rose partners Nick Abrahams & Martyn Taylor
"The Impact of the Convergence Review"
3.55 Independent Telecom Adjudicator Rob Nicholls
4.15 Telecommunications Industry Ombudsman Simon Cohen
4.35 ACCAN CEO Teresa Corbin
4.55 THE GREAT DEBATE: Optus vice president, corporate and regulatory affairs David Epstein, Internode founder Simon Hackett, telecom analyst Kevin Morgan, Alcatel-Lucent Australia MD Sean O'Halloran and more

5.25 Cocktails sponsored by NEXTDC

* Participation of Malcolm Turnbull & Ed Husic

WEDNESDAY 10 OCTOBER

KEYNOTE SESSION

9am Federal ALP MP Ed Husic (TBC)
9.25 Comms Alliance CEO John Stanton
9.50am ACMA deputy chairman Richard Bean
10.15 NBN Co head of product management and industry relations Jim Hassell
10.40 Market Clarity analyst Shara Evans *"Demographics of the 1st NBN rollout areas"*
11.00 REFRESHMENTS sponsored by Overture Networks

MORNING SESSION

11.20 Qualcomm VP SE Asia and Pacific John Stefanac
11.40 Optus MD Wholesale & Satellite Rob Parcell
12.00 IBES executive director Kate Cornick
12.20 Australia Post GM telecom products and services Maha Krishnapillai
12.40 iiNet CTO John Lindsay

1.05 Lunch sponsored by Qualcomm

WIRELESS & MOBILE BROADBAND FOCUS sponsored by Broadcast Australia

1.45 Broadcast Australia strategy & corporate development director Brett Savill *"Snapshot from the Big Apple: update on the world's largest DAS project in the NY Subway"*
2.05 Cambium Networks VP Asia sales & marketing Roy Wittert
"Fixed Wireless: Competitor or Complement to Mobile Broadband?"
2.25 Polyfone CEO Paul Wallace *"Ethernet over wireless"*

2.45 Overture Networks Asia Pacific MD Graeme Bellis

3.05 The Billing Bureau MD David Werdiger

3.25 Afternoon tea sponsored by Overture

CLOSING PLENARY: APPLYING POLICY TO PRACTICE

3.35 Vodafone GM Industry Strategy and Public Policy Matthew Lobb *"Competition issues in the telecom sector"*
3.55 Enex TestLab MD Matt Tett *"Internet Regulation - a decade of content filter testing"*
4.15 Cisco GM government affairs & policy Tim Fawcett
"The Telework Revolution"
4.35 Close

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“We are pleased to announce Pipe Networks as our first DTN-X super-channel deployment in the Asia-Pacific region,” said Tom Fallon, Infinera CEO. The DTN-X platform only began shipping in recent months. In May, Pacnet and Infinera completed a collaborative effort demonstrating the transmission of more than 3 Tb/s of capacity over 4,500 km of Pacnet’s C2C network.

At a Californian trade show in August, Infinera said the “DTN-X is the only optical network solution built using 500 Gb/s photonic integrated circuits microcontrollers, integrating more than 600 optical functions onto a pair of chips and delivering 500 Gb/s FlexCoherent long haul super-channels that can reach up to 3,000 km. The solution integrates 5 Tb/s of optical transport switching and a Generalized Multi-Protocol Label Switching control plane enabling any service to be switched to any optical wavelength.”

Staff reporters

Telstra’s Top Hat project passes 200,000 premises

Telstra has passed the halfway mark in its “Top Hat” ADSL2+ extension program, with 1000 of the expanded street cabinets now upgraded, according to Mike Wright, Telstra executive director of networks.

As first revealed in CommsDay last year, the 18-month Top Hat program is being deployed in conjunction with vendor partner Alcatel Lucent. The novel approach uses a bolt-on extension that includes built-in DSLAM ports ready to connect to existing plant, upgrading service to ADSL2+ and cutting significantly the planning and network construction activities previously needed.

According to Wright, Telstra has just switched on its 1000th Top Hat in Moruya, NSW, bringing it beyond the half-way point of the project. In the process it has invested around \$80 million to make ADSL2+ broadband services available to more than 200,000 homes and businesses.

“Around 100,000 of these customers have been upgraded from an ADSL service to ADSL2+, while the remaining 100,000 services provide the opportunity for new customers to access fast fixed broadband for the first time,” Wright said.

By the end of the year, Telstra expects to have upgraded around 1850 street side cabinets and more than 350,000 fixed broadband services through the project.

Geoff Long

ACCC seeks industry input on ADSL congestion

As the Australian Competition and Consumer Commission continues to hammer out a final access determination on wholesale ADSL, it has reached out to industry as to how far network congestion should factor into access terms.

The ACCC’s request comes in response to Telstra’s argument that network congestion is a relevant factor in setting wholesale ADSL prices – indeed, that prices should be increased to assist the management of network congestion. Having not previously sought broader submissions on the topic, the Commission is now inviting industry to comment on whether ADSL networks are subject to congestion in the first place; how it should be measured, and how it affects end-users and access seekers/providers; and how congestion should factor into the FAD and pricing for wholesale ADSL, as well as how far congestion is reflected in current wholesale ADSL pricing.

Submissions on the topic are due by 5 October.

Petroc Wilton

PM grilled on possible NBN Co sell-off

Prime Minister Julia Gillard has been quizzed on the possibility of selling off the NBN early in order to pay for policy initiatives such as the National Disability Insurance Scheme, education spending, and new dental plans. In an interview with ABC Melbourne’s Jon Faine, the PM didn’t categorically rule out the possibility, but said that current initiatives shouldn’t be linked with its plans for the NBN.

“The settings we announced at the time of the National Broadband Network announcements are nothing to do with anything announced about schools in the last few days,” Gillard told the ABC.

“Sometime in the future there would be a looking at moving to a different ownership arrangement, we

said that a few years ago, nothing's changed about that and nothing is going to change about that because of anything I've announced about school education," she said.

However, despite constant attempts, Faine could not get the Prime Minister to say that there would be no early sell-off of the network. Under current government policy, NBN Co is to remain in full government ownership until the network is built and operational.

Legislation passed in March last year sets out the process that must be followed before the NBN Co can be privatised. It includes a review by the Productivity Commission, consideration by a joint parliamentary committee and a decision of the Parliament of the day.

Key independent MP Rob Oakeshott has previously warned against the dangers of government-owned monopolies and is in favour of quick privatisation. However The Greens oppose a sell-off and have traded support for key NBN bills in exchange for making privatisation harder to achieve.

Geoff Long

ACCAN secures five-year funding, outlines future plans

The Australian Communications Consumer Action Network has secured an additional five years of over A\$2 million annual funding via industry levy – and CEO Teresa Corbin has laid out a number of issues that are lined up in the consumer body's sights.

Communications minister Stephen Conroy announced the funding plans at this year's ACCAN national conference in Sydney. The money will lock in certainty around the future of ACCAN, originally set up and funded in 2009; the news comes a few months after a review of the body by the Department of Broadband, Communications and the Digital Economy, which highlighted some examples of constructive engagement between the body and industry stakeholders but also noted some concerns around the "somewhat adversarial" nature of some of ACCAN's campaigns.

"ACCAN's achievements have improved the telecommunications market for Australian consumers, and this has been confirmed by [the] review," said Conroy. "In three short years, ACCAN has established itself as an effective and well-regarded organisation representing telco consumers... I'm pleased to announce a new funding deed to ACCAN which will provide funding right through to 2017."

"The Review also made recommendations for ACCAN to build on its early successes. These include broadening its advocacy work to ensure that all members of the community and small businesses are represented by ACCAN, developing its media presence and performance, and building a better industry engagement framework," he added. "ACCAN has already begun work on implementing these recommendations. As part of this, ACCAN's first consumer-industry association forum will go ahead later this year; the forum's main aims are to share priorities and identify areas of constructive engagement between industry and consumer representatives."

Corbin herself, meanwhile, sketched out some plans for ACCAN's future in the year ahead. Following the lengthy process of finalising the TCP code – in which she praised Communications Alliance's "commitment to consultation," – she said that ACCAN was entering a new phase of consumer advocacy as a peak body, exploring new opportunities to work together with Communications Alliance and the Australian Mobile Telecommunications Association.

Some key topics on the agenda for the next twelve months, she said, were cloud computing; copyright; the IT pricing inquiry; research into the telecommunications needs of small businesses; mobile coverage issues, particularly for regional consumers; and 'perennial problem products' like international calling cards. Meanwhile, the consumer body has also just launched a new guide for consumers that seeks to lay out their rights under the new TCP code in plain language. Corbin dubbed 'Making the Right Call' "the most important publication ACCAN has released in the last three years."

Petroc Wilton

High TIO awareness indicates crisis: Choice

ACCAN has feted as "healthy" that 46% of its national survey respondents would escalate a telco grievance to the Telecommunications Industry Ombudsman, but this high figure may actually be the flipside of an "industry with a crisis of complaints," according to the chair of consumer advocacy group Choice, Jenni Mack.

Speaking as part of a panel session at the ACCAN national conference in Sydney, Mack said the 46% TIO awareness figure – as discovered in the ACCAN national consumer perceptions survey – was “astonishingly high” and should be put in context.

“I had a quick look over the past five years: 120,000 complaints in 2007, 175,000 in 2008, 170,000 in 2009, 200,000 in ‘10 – and the quarterly stats for this year – which will be finished at June but haven’t been reported yet – suggest it will exceed, but not by a lot, 200,000. So that’s 900,000 who’ve [registered a] complaint to the TIO in the last five years,” she said.

David Edwards

Extend NBN fibre for indigenous communities, says IRCA

NBN Co should utilise existing legacy fibre in order to reach remote Indigenous communities not linked onto the network, according to Indigenous Remote Communications Association manager Daniel Featherstone.

Speaking at the ACCAN national conference in Sydney, Featherstone – whose IRCA is a peak body for the media and comms interests of remote Indigenous Australia – gave his personal experience in remote Western Australia, where he worked with the state and federal government and local organisations on a project to get 400 kilometres of extended fibre to link six communities. He added that recently there had also been a big project through Arnhem Land to extend fibre optic throughout the region.

“However, when we look at the NBN map of coverage, you noticed that all of those extended sections of fibre aren’t included – the legacy fibre that Telstra owned that wasn’t part of the A\$12 billion agreement with NBN Co, and so it isn’t currently part of the mix of NBN’s coverage into rural and regional Australia,” he said.

Featherstone accepted that the NBN satellite service, which will provide 3% of Australians in remote areas with speeds of 12Mbps down and 1Mbps up, will “meet a lot of the need for basic services in the communities. But there will be a lot of applications and types of delivery of high-speed two-way or symmetrical applications that will not be able to operate particularly in areas where there are a number of users with those types of applications,” he added.

David Edwards

Telstra says video will drive banks of the future

A new Telstra white paper has found that 57% of consumers want their bank to offer a suite of video solutions to deliver improved customer experience.

Telstra’s research, entitled ‘The Digital Media Bank’, highlights the firm’s interest in selling IP network and enterprise unified communications and collaboration platforms to Australian financial institutions.

The telco surveyed some 30 financial institutions across APAC to understand the video-based strategies that have been implemented or are currently in the works; it also presented 1,000 Australian consumers with five-video based financial interaction concepts, including video on financial topics, interactive videos, local branch calling and access experts on demand.

The research found that 30% of the consumers found each of the concepts separately appealing and over a quarter indicated a propensity to use each concept; in addition, more than 50% of those who found the concepts were appealing were employed white-collar workers.

The report’s author, Telstra enterprise and government national GM Rocky Scopelliti, said that financial institutions are under increasing pressure to improve customer advocacy. “Half of online Australians are already engaged with video online and a third are using video calling, so it’s clear that video technology is already deeply embedded within customer lifestyles as a way to collaborate, which is both effective and convenient,” he said.

David Edwards

Big screens drive Android popularity up over 60% in key markets

Android smartphones now hold over 60% of the market in 8 key markets, including Australia, according to new data from Kantar Worldpanel ComTech – a division of advertising giant WPP.

In addition to Australia, the survey gauged the purchasing behaviour of consumers over a 12-week period ending 5 August in the US, the UK, Germany, France, Italy, Spain, and Brazil. Across the eight markets, Android smartphones outsold Apple by nearly a margin of three to one, claiming 61.2% of the market compared to iOS' 23.7%. More importantly, the market share of Android rose 9% year-on-year while iOS only grabbed an extra 0.4%.

In Australia, Android devices accounted for 62.8% of sales during the period, up 20.1% year-on-year, while iOS' share dipped nearly 10% to 28.2%. In Kantar's previous survey for the 12-week period ending 10 July, Android accounted for 56.9% and iOS 30.5% of smartphones sold in Australia.

While the upcoming release of the iPhone 5 is likely one contributing factor to Apple's market share loss during the period, the availability of Android devices with bigger screens have also boosted the platform's popularity. According to Kantar, phones with bigger screens are becoming noticeably more popular, with 29% of the Android devices sold in the past 12 weeks have a screen size of over 4.5 inches. And not only are larger screens driving sales, they also stimulate usage of online services and instil brand loyalty. "It is interesting to look at the impact a larger screen size has on how consumers use their smartphones, particularly as the line between tablets and smartphones becomes more blurred," Dominic Sunnebo, global consumer insight director at Kantar Worldpanel ComTech said.

"Consumers who own a smartphone with a larger screen tend to be much more engaged with their device across a whole array of functions. For example, only 19% of consumers with a screen smaller than three inches download/watch videos, compared to 65% when the screen is five inches or more.

"However, bigger screens don't just lead to an improved consumer experience; they also play a key part in customer retention. ComTech data shows that the more engaged consumers are with their device, the more likely they are to stay loyal to an OS/brand when they upgrade."

Tony Chan

Huawei calls for international approach to cyber security

An internationally coordinated approach on data protection and cyber security should be adopted to match the technology industry's increasingly global nature, according to new white paper published by Huawei Technologies on the topic.

While Huawei puts the onus on technology companies to "protect their technology from a range of malicious uses," the company highlighted the importance of a global structure that avoids inconsistencies between regions and markets.

"Huawei would welcome a coordinated international approach to principles of data protection and cyber security," John Suffolk, global security officer at Huawei wrote in the white paper, Cyber Security Perspectives: 21st century technology and security – a difficult marriage. "We believe that such an approach would foster better overall standards of data protection on a global basis, rather than having vendors, service providers and corporations struggle to apply inconsistent standards and approaches across various countries."

At the same time, Suffolk argued that companies should also be treated as global entities since products and solutions are no longer developed centrally, but complex supply chains spanning many stakeholders. This, he argues, means that security risks are no longer limited to the hardware and software of a product, but include potential vulnerabilities in the development process, outsourced components, corrupt staff, and facilities' physical security. All these factors, noted Suffolk, open up the possibility of third party injection of mechanisms or personnel for malicious intents.

"As can be seen by the range of ways and methods technology vendor's hardware and software could be maliciously used requires continuous assessment of the techniques and potential weaknesses to be undertaken," Suffolk said.

Tony Chan

ACMA FOCUSES ON FINANCIAL HARDSHIP FOR TELCO CONSUMERS

The Australian Communications and Media Authority has released new research that reveals 14% of Aus-

tralian phone and internet consumers experienced difficulty paying a bill in the 12 months to 10 May. Conducted by Roy Morgan Research, the study polled 2,400 consumers; of those who had difficulty paying, 47% indicated bill shock as one of the main reasons. While 64% of consumers who contacted their telco following bill shock or difficulty paying were satisfied with the outcome, 69% were not offered advice about avoiding such situations in the future. "The research supports the ACMA's insistence on effective spend management tools for telecommunications consumers following our public enquiry," commented ACMA chair Chris Chapman. "It also supports an early focus by the ACMA on compliance with the financial hardship provisions of the new Telecommunications Consumer Protection Code."

VIRGIN MOBILE LEAPS ON 4G WHOLESALE

Immediately following Optus' news that it would be offering wholesale as well as consumer services over its LTE network, partner Virgin Mobile has leapt to reveal its resold 4G offering. Since it's using the Optus network, Virgin is initially offering LTE to post-paid customers in selected parts of Sydney, Perth and Newcastle, with Melbourne from 15 September. To mark the occasion, the mobile virtual network operator is offering customers the chance to pre-order the Samsung Galaxy S III 4G smartphone for A\$7 on its 'Fair Go Bro' A\$59 plan.

NEC UNVEILS ULTRA-COMPACT 100E MICROWAVE PRODUCT

NEC has added a new ultra-company 100E product to its packet microwave portfolio. Dubbed the iPA-SOLINK 100E, the new indoor unit can be installed in one half of a 19-inch equipment rack or on a desktop, the company said. The microwave unit works in the 6-42GHz frequencies, and features a fan-less natural cooling system that consumes 55% less power compared to other conventional microwave products, NEC said. "It makes an ideal solution for fast and cost effective provision of a wide range of carrier services, including, among others, enterprise connectivity, public utility networks and mobile backhaul."

ON THIS DAY 10 YEARS AGO: FROM THE COMMSDAY ARCHIVES

A group of 13 international telecommunications carriers, including SingTel, France Telecom and Bharti, emerged as possible partners in a new submarine cable linking Asia to the Middle East... Telstra announced plans for a commercial debt offering in New Zealand to raise funds for its operations there... Amcom revised projected earnings upwards following the completion of a A\$3 million funding placement.

COMMENT BY ALCATEL-LUCENT AUSTRALIA MD SEAN O'HALLORAN



Hollow victory an alarm for industry action on internet energy

When Alcatel-Lucent won the recent ACOMMS industry award for environmental responsibility, it was a hollow victory.

Of course, we were thrilled with extra recognition for our work at Melbourne's Centre for Energy Efficient Telecommunications (CEET), but victory from a field of one is hardly a license to celebrate in the normal way of a national category win.

While the personal let-down is obvious, my concern is that our solitary nomination belies an industry complacency and possibly even ignorance about the challenges the IT and telecommunications sectors face when it comes to booming internet energy consumption.

The equation is quite simple. The internet today accounts for up to two percent of the world's energy consumption. That might sound small unless you consider that if the internet was a country, it would already rank as the fifth largest for energy consumption, slightly bigger than Japan and just smaller than Russia. We all use the internet and I can't imagine finding anyone predicting they'll use it less in the future. In fact, our researchers estimate that based on current data growth rates, the energy demands of our global internet could rise to up to ten percent of energy supply by 2020. That's a lot of power.

Do we really want an internet that consumes ten percent of the world's energy? Can we afford an inter-

net that consumes ten percent of the world's energy?

Energy efficiency not only makes good environmental sense, it also makes good business sense. Our customers, that is, all the businesses and individual consumers of broadband, mobile and digital services, are under pressure to reduce energy usage and costs. For telcos themselves, energy represents up to 20 percent of their operational costs, with network elements responsible for about 75 percent of the total.

My view is that people underestimate the energy it takes to keep a home, business or mobile network going, and how online services, drawing data and processing power from a global network, also consume power around the world. They see, quite rightly and as the Global E-Sustainability Initiative and others have shown, that the internet can enable greenhouse gas reductions through tools that reduce travel and congestion, and make distribution networks more efficient.

But the bare fact is that the internet itself is a growing producer of greenhouse emissions and very soon, people will be looking to telecommunications and IT for real solutions, not for more problems.

Alcatel-Lucent's investment with the University of Melbourne and Victorian State Government in a dedicated internet energy research hub recognises the complexity of the problem. Changing light-bulbs in telco offices won't be enough. Putting PCs and modems on stand-by won't be enough. Nor will the impressive 50 percent efficiency gains being enabled by new network product innovations like FP3 chipsets or lightRadio networks.

Working with a global team from the esteemed Bell Labs research institution, CEET researchers in Melbourne are focussed on ten unique research projects to effectively change the way networks operate, to achieve a step-change in the way data is transmitted, stored and used around the globe. This is not trivial, and CEET is an active contributor to Greentouch, an international industry consortium initiated by Bell Labs and dedicated to improve the energy efficiency of communications networks by a factor of 1,000.

The point is that collaboration is a vital component to solving the many and varied challenges at hand. It's an approach that Alcatel-Lucent takes on a global basis as we address a range of sustainability challenges. Importantly, in a world as complex as the internet, incorporating literally millions of network elements, applications, devices and users, collaboration is the only way to fully understand the problems and to implement solutions.

In Australia, we have the beginnings of what should become a globally significant collaboration on energy efficient telecommunications. Indeed, the fibre technology being employed for the National Broadband Network is the optimal solution for reduced energy internet access while regulatory and business conditions suggest strong incentive to get smart when it comes to energy consumption.

In its first year of operation, CEET researchers have filed three patents and done significant work advancing the underlying efficiency of future commercial network technologies. Research is being expanded in key areas, including cloud computing and developing an energy star rating for the internet service ecosystem.

While I know we are not alone in our contribution to energy efficiency, Alcatel-Lucent's hollow victory at the 2012 ACOMMS Awards should be a wake-up call to industry. For that reason I call on industry to join us this month in Melbourne for the inaugural Australian Energy-Efficient Internet Summit in Melbourne on September 18.

This will be a unique opportunity for equipment and system vendors, operators, service and application providers, and researchers, to explore how different network parts contribute to network energy consumption and various approaches that could be taken to improve their efficiency. It will highlight the challenges, the good work underway and how that can be strengthened by collaboration.

On another note, Alcatel-Lucent is really looking forward to the 2012 CommsDay Melbourne Congress where we are platinum sponsor and I will join a panel debate at the end of day one. The team has put together an outstanding program and it will be very interesting to see how these issues around sustainability are reflected in the wide range of presentation topics on offer.

I'll be at both events and I look forward to meeting as many industry colleagues as possible in the coming weeks as we plot how to make next year's award for environmental responsibility the most hotly contested of all time.

For more information on the Australian Energy-Efficient Internet Summit, visit CEET: <http://www.ceet.unimelb.edu.au/>