

LTE JV

Alcatel Lucent & NEC to pool Long Term Evolution R&D, plans more JVs

ICANN

Internet governance should remain in the private sector

GREEN TELECOM

The latest edition of the world's first sustainable telecoms supplement

COMMSDAY

ASEAN CHINA EDITION

February 13 2008

Asia's best technology industry title (Media Connect Awards 2007)

Written & published from 5 bureaus worldwide

FTTH obsolete as wireless broadband proliferates?

Mobile operators have the upper hand over fibre-to-the-home deployments, according to a panel of speakers at this year's Mobile World Congress in Barcelona. Speakers from Nokia Siemens Networks, Ericsson and the GSMA said that high rollout costs and static connectivity will prove a long-term burden on fibre deployments in comments that have direct relevance to policy debates in Australia, New Zealand and Singapore.

"If you look at the number of households in the UK that have 8Mbps [fixed broadband connections], it's a marginal number, it's not good," said Ericsson's director of WCDMA radio access networks Magnus Ewerbring. "Two thirds of the broadband subscribers have 2Mbps or less, so if I was a British mobile operator today, I'd have a field day. I can compete for life with wired subscribers."

"It takes a lot of time, effort, and money to put [fibre] in the ground. Compare that to the deployment of a base station and radio power over a much larger area. I think in the next few years the mobile operators have the upper hand," said Ewerbring.

"I believe if you want to compare wireless and wireline connections, you will always have a factor of ten advantage for wired – with radio we are always an underdog from pure data speed perspective," said Nokia Siemens Networks WCDMA product manager Antti Kuurne. "As Magnus mentioned, fibre to every household will cost a lot of money. The benefit of the radio is mobility, and the lower cost of providing an adequate connection."

"But for example, I have 3Mbps ADSL, I have never seen that [speed] happen. Whatever service I'm using, the bottleneck is somewhere in the internet and personally I wouldn't want to pay extra to upgrade my 3Mbps ADSL to 20Mbps because it wouldn't give me, with the current internet bottlenecks, any added value," said Kuurne.

"Mobility is the most significant selling point, it's a really big bonus," said GSMA director of technology Dan Warren.



Luke Coleman

Alcatel-Lucent, NEC to pool LTE R&D

Alcatel-Lucent and NEC will form a joint venture in the next-gen mobile arena that could lead to a wide collaboration across a range of networking technologies.

The two will initially form a JV that will focus on the development of Long Term Evolution (LTE) wireless broadband access solutions, combining existing efforts in collaboration with existing customers Verizon and NTT DoCoMo.

"Leveraging the common LTE product strategy and platform of the joint venture, Alcatel-Lucent and NEC will each manage delivery, project execution and dedicated support to their respective

customers,” they said yesterday.

“Under this joint venture, the two companies will pool their existing research & development resources and leverage market-proven expertise in key technologies on which next-generation wireless access is based, such as IP, multiple input/multiple output (MIMO) and orthogonal frequency division multiple access (OFDMA). Through this joint development effort, Alcatel-Lucent and NEC are affirming their R&D investment commitments and combining them to accelerate product innovation, differentiation and performance,” they added.

“The goal of the two companies is to achieve faster commercial availability of LTE solutions, serve an expanded, global customer base, and establish a leading position in the early development phase of the LTE market. The two companies will make first commercial releases available in 2009, and will leverage their field-proven wireless expertise to ensure smooth integration of LTE technology with the existing W-CDMA/HSPA and CDMA/EV-DO networks of their respective customers,” they continued.

In the future, the collaboration may expand into end-to-end 3G CDMA-based solutions, as well as a wide range of advanced IP-based solutions, such as optical transmission, IP service routing, and IMS-based communications services. Alcatel-Lucent and NEC will also investigate collaborating in developing IT solutions for service providers - such as service application solutions and their servers.

Alcatel-Lucent wins I-ME-WE deal

Alcatel-Lucent said it won a supply contract with a India-Middle East-Western Europe consortium comprised of nine leading international telecom firms to construct a new submarine cable network stretching from Mumbai in India to Marseilles in France, over approximately 13,000 km. The contract value was unspecified.

The nine consortium players include Bharti Airtel, Etisalat, France Telecom, OGERO, PTCL, STC, Telecom Egypt, Telecom Italia Sparkle and VSNL.

The IMEWE network will be available for commercial service by the fourth quarter of 2009 and will include a terrestrial link in Egypt to connect the cities of Alexandria and Suez.

The new system will be a three fibre pair with a minimum design capacity of 3.84 terabits per second and will be composed of two trunk cables connecting India to France via Pakistan, the United Arab Emirates, Saudi Arabia, Egypt, Lebanon and Italy. Along this route, there will be ten landing points, two of which will be in Mumbai and one each in Karachi, Fujairah, Jeddah, Suez, Alexandria, Tripoli Catania and Marseilles.

Alcatel-Lucent will build the turnkey system with the support of its subcontractor NEC who will provide and install the wet plant from Mumbai to Jeddah.

“IMEWE reflects the need for enhanced capacity, connectivity and diversity to best meet the end-users’ demands,” said K.P. Tiwari, Chairman of the consortium’s Management Committee. “With its field-proven experience in network deployment and project management, Alcatel-Lucent is a trusted partner to facilitate regional and international connectivity.”

Pamela Perez

ICANN meeting calls for private sector model

The Internet Corporation for Assigned Names and Numbers will use its 31st international public meeting this week to urge for a private sector model for internet administration.

Opening the meeting in New Delhi, ICANN broad chairman Peter Dengate Thrush said it was time for the US government to realise the importance of an independent shift. Public comment for the US midterm review of its joint project with ICANN closes this week and Dengate Thrush said meeting participants should contribute. “We’re arguing it’s time to take the final step to originally envisioned private sector model for ICANN... and we will be encouraging everyone who believes in the ICANN model of coordination not control to make their thoughts known,” he said.

In addition to privatisation, the New Delhi meeting is likely to cover a range of topics, including ongoing work to represent territory identifications in local languages and for the improvement of domain administration.

According to ICANN president Paul Twomey, "there will be key discussions at the New Delhi meeting about our ongoing work to develop a new application and approval model for new generic top-level domains or gTLDs, and our work on Internationalised Domain Names or IDNs, which will mean the languages and scripts of most of the world could be used to write domain names."

Tim Marshall

Asia the world's 'Super Spammer', says Sophos

Asia has topped spam charts as it overtook Europe and North America with 32.1% of the world's spam, making it the top spam-relaying continent, reported IT security and control firm Sophos..

"Financially-motivated criminals are controlling huge proportions of compromised zombie machines to launch these spam campaigns. This is a worldwide issue, affecting everyone who owns a computer. Businesses and computer users must take a more proactive approach to spam filtering and IT security in order to avoid adding to the problem," said Carole Theriault, senior security consultant at Sophos.

However, on a per country basis, Russia has now become the second most prolific country accounting for 8.3% of the world's spam, which was echoed in Sophos's research into which continents make the greatest contribution to the spam problem.

"Responsible for a third of all unwanted email, USA and Russia can be viewed as the two dirty men of the spam generation, polluting email traffic with unwanted and potentially malicious messages," Theriault said.

"It's not the case that a third of the world's spammers are based in those countries, but that legions of computers are poorly defended, allowing hackers to break in and turn them into botnets for the spreading of spam and malware," Theriault added.

Significantly, the infamous Storm Worm, better known as a Trojan, which rapidly infected millions of PCs in Europe and North America, has been believed to have originated in Russia as well.

The dirty dozen spam-relaying countries were the United States, Russia, China (4.2%), Brazil (4%), South Korea (3.9%), Turkey (3.8%), Italy (3.5%), Poland (3.4%), Germany (3.2%), Spain (3.1%), Mexico (3.1%) and Britain (2.5%), said the Sophos report.

On a regional basis, Sophos's breakdown of spam relaying by continent October to December 2007 includes Asia with 32.1%; Europe 27.1%; North America 26.5%; South America 12.5%; Africa 1.1%; and other areas with 0.7%.

Sophos pinpointed one of cybercriminals' latest efforts to bypass spam filters, messages with supposed music files from stars such as Elvis Presley, Fergie and Carrie Underwood were attached to the messages sent.

The files actually contained a monotone voice encouraging people to buy shares in a little-known company. "Countries that continually remain among the top spam-relaying countries need to ensure that they are doing more to properly defend computer systems," said Mike Haro, senior security analyst at Sophos.

Pamela Perez

BlackBerry outage highlights user dependence

Email clients on BlackBerry devices across the U.S. and Canada were silenced for up to three hours as the data service operated by Canadian firm, RIM, suffered its second outage in less than a year. According to a RIM statement, voice and text messaging were unaffected but email delivery was impacted and messages backlogged for up to three hours.

The outage reportedly caused frantic and frustration among some BlackBerry users whose dependence, some say addiction, to the portable emailer is growing. One user, who receives 1,000 emails a day as part of his job as a director of field marketing, says he has had enough, telling a reporter at Associated Press that he will now ask for a smartphone as backup to the BlackBerry from his company.

Even the Canadian parliament could not escape the outage. "Everyone's in crisis because they're all picking away at their BlackBerrys and nothing's happening," Garth Turner, a member of the Canadian Parliament, told AP. Spokespersons from AT&T, Verizon Wireless and Bell Canada confirmed that users on their networks were affected, while RIM officials told the operators of a sys-

tems-wide outage across North America.

RIM officials did not give a reason for the service disruption, but says no emails were lost as a result of the outage. The messages were delivered to the Blackberry devices once network service was restored. RIM reportedly has 12 million users of its Blackberry devices worldwide.

RIM confirmed to CommsDay that BlackBerry services in Asia Pacific were not impacted by the service delays in the Americas; however some Asia Pacific customers physically locate their BlackBerry Enterprise Server in the Americas and those customers may have experienced delays as a result.

Verizon Business' LAN taps Asia-Pacific

Verizon Communication said that the Asia-Pacific region, Europe, Middle East, Africa, and the U.S. can now access Verizon Business' managed local area network service.

Overall network operations costs are reduced significantly due to the seamless view of the wide area network and LAN environments provided by the Verizon service between the corporate headquarters' network and its extended network connecting partners, customers, remote employees and suppliers, said the release.

Mike Marcellin, vice president, global product marketing for Verizon Business said, "By outsourcing LAN management to a trusted third party, and tightly integrating it with the WAN, customers are able to enhance their overall network performance and availability and better support their overall business needs."

Also, Dustin Kehoe, principal analyst of Current Analysis said, "The LAN is just as important as the WAN. The end-to-end customer solution enabled by Verizon Managed LAN will be very attractive to the enterprise customer, and makes Verizon Business a stronger managed services supplier."

Pamela Perez

DiGi to keep hold of Malaysian market, says Telenor

Norwegian telecoms operator Telenor ASA said it is upbeat about its Malaysian unit DiGi.COM following robust results and higher year-on-year subscriber growth in 2007.

Telenor, which holds a 49% stake in DiGi, reported earlier that DiGi gained a 22% net profit in the quarter through December from a year earlier, buoyed by a growing subscriber base and higher revenue. Total number of subscriptions during the quarter increased by 292,000 to 6.409 million.

For the full year, its net profit soared to US\$328 million, up 32% from 2006. Revenue for the full year rose 19% on-year to US\$135 million, reported The Associated Press.

Aseambankers Equity Research forecasted that DiGi would emerge from its present third ranking and become the second-largest operator in terms of subscriber base by end 2009.

Meanwhile, Kenanga Research said DiGi would continue to set industry standards in the longer

COMMSDAY ASEAN

Editor in Chief & Publisher: Grahame Lynch
CommsDay ASEAN inc. Global
is published by Decisive Publishing

Decisive Mail

PO Box A191 Sydney South NSW 1235
AUSTRALIA.

Decisive Fax: +612 9261 5434

Decisive Internet: www.commsday.com

For advertising details contact Sally Lloyd at-
sally@commsday.com.au or call +61-
292615435

Editor, Australia: Tim Marshall

Tim@commsday.com.au

Editor, United States: Patrick Neighly

Pneighly@madyakpress.com

Editor, SE Asia: Geoff Long

geoff@commsday.com.au

Journalist: Pamela Perez

Pamela@commsdaymail.com

Journalist: Joanna Meneses

Joanna@commsdaymail.com

Correspondent, Singapore: Siow Meng Soh

siowmeng@hotmail.com

Correspondent, Kuala Lumpur: Cat Yong

catyong88@gmail.com

Correspondent, London: Martyn Warwick

martyn@telecomtv.com

For subscription details contact Laraine Davis
at laraine@commsday.com.au

term. However, it has recommended a hold on the stock, attributing the conservative recommendation to uncertainty and gestation associated with the new 3G spectrum, as well as a high level of investor expectation, said a report.

DiGi is planning its 3G launch in the second half of the year, after securing rights to Time dot-Com's 3G spectrum, whereas rivals Maxis Communications and Telekom Malaysia already had a head start with their 3G offerings.

"Although 3G is a prerequisite for certain new services, it is also a means of enhancing existing services, and DiGi is known for being the innovative player in the Malaysian mobile market. Furthermore, DiGi will gain from the strategic partnership with Time," Telenor Asia communications director Esben Tuman told The Edge Financial Daily.

He said Telenor is on the lookout for more opportunities in Asia.

"Telenor is interested in expanding further in Asia. As part of this strategy, we always keep our eyes open. Our growth ambitions are definitely in place," Tuman asserted.

TM is eyeing Vietnam and was reportedly keen on taking on a partner to gain entry to the country. It is also seeking a partner to expand its presence in Pakistan and Bangladesh. Telekom also has operations in Thailand and Cambodia and is said to be interested in acquiring mobile assets in Laos and Myanmar.

Conversely, Telenor has yet to tap into Southeast Asian countries other than Malaysia and Thailand. Telenor said DiGi would remain a consolidated company within its overall group accounts.

Pamela Perez

SK Telecom and SanDisk team up for card-based Mobile PVR platform

SK Telecom and flash memory inventor SanDisk launched a new mobile television and personal video recording (PVR) platform that will use SanDisk's TrustedFlash technology along with the telco's wireless services.

This new solution will enable mobile network operators to offer mobile subscribers paid mobile TV content and record them anytime-anywhere on microSD and MegaSIM cards, which also protects content from unauthorized copying or redistribution.

"Together, SanDisk and SK Telecom can create new usage and business models that allow mobile TV users to have more freedom to enjoy the purchased content and allow mobile TV operators to adopt a variety of pricing and business models," said Dr. Se-Hyun Oh, president of C&I Biz Company, SK Telecom.

Qualcomm develops new initiatives with GSMA Development Fund

Qualcomm and the GSM Association (GSMA) Development Fund and Wireless Reach will develop project using mobile broadband technology for health care and education in Egypt, the Philippines and Tanzania, through Qualcomm's Wireless Reach initiative.

The Wireless Reach initiative creates solutions that bring the benefits of connectivity to developing communities worldwide. Through high-speed 3G HSPA Internet services provided by local operators, the joint project will create new ways for people to communicate and learn, by linking students to educational resources, and medical professionals to specialists through the use of 3G technology.

According to GSMA Development Fund director Dawn Haig-Thomas, this idea will emphasize mobile broadband being more than just a compelling force for high income markets but also for bringing about social, environmental and economic development.

Yahoo rejects Microsoft offer

Yahoo has formally rejected Microsoft's takeover offer, claiming the play "substantially undervalues" the portal. Microsoft previously pledged \$44.6 billion in cash and stock but market volatility has since whittled \$3.1 billion from the valuation. Yahoo has struggled in recent quarters to refocus its ad business but yesterday said those efforts should not diminish the value of its 'global brand,

large worldwide audience, significant recent investments in advertising platforms and future growth prospects, free cash flow and earnings potential, as well as our substantial unconsolidated investments.'

It remains to be seen whether Yahoo is simply vying for a larger purchase price. The Microsoft offer was quickly countered by a Google as alliance proposal, which the portal has yet to address. And now an unconfirmed report in the Times claims Yahoo is keen to reignite merger talks with AOL and is even mulling a Disney alliance to ward off Microsoft and remain independent. Earlier talks between AOL and Yahoo fell apart over price.

Other unconfirmed reports indicate Yahoo expects Microsoft to hike its bid by at least \$12 billion to consider a sale. "All they are trying to do is pick off the company on the cheap. They're trying to steal it. And the board is not going to let that happen. They have gone for a valuation that reflects the five-year low of the stock," an insider told the Times.

Microsoft could step up to the plate or proceed with a hostile takeover - not a particularly compelling option considering staff Yahoo trenches have made it known via the blogosphere they would rather quit than report to the Redmond giant. An acquisition would ostensibly give Microsoft a new bulwark against Google but it faces the unpalatable prospect of key workers defecting to its bitterest rival in protest. But the Windows behemoth remains frustratingly aloof. Takeover mastermind Christopher Liddell last week told the New York Times he would be "disciplined and ruthless" in pursuing an acquisition and said Microsoft should "not be embarrassed" to bruise egos in its pursuit. And now the company is known to be planning a direct lobbying assault on Yahoo's largest shareholders in an effort to strong arm the board into acquiescence, while observers fear a proxy battle could see it attempt to overthrow the Yahoo board in the next few weeks.

But the simplest option may be to hike the value to Yahoo's terms. Sanford C Bernstein said it believed Microsoft would "likely increase its offer to \$35/share and may go as high as \$40" but warned the unanimous decision by Yahoo's board could indicate the portal "is digging in for a fight."

Patrick Neighly

TI demonstrates prototype Android handset

Texas Instruments demonstrated a prototype Android handset at yesterday's Mobile World Congress. The device allows users to combine various applications and provides "one button access" to frequently used services such as messaging, email and the Internet.

The prototype unit leverages the OMAP850 phone processor for Wi-Fi and Bluetooth access. The announcement comes as several rival chipmakers unveiled early Android handsets at the show. ARM, Marvell, NEC, Qualcomm and ST Microelectronics also showed off demo hardware but offered little in the way of concrete launch dates, while South Korean vendor Samsung Electronics vowed to have an Android phone on sale by early next year. The unveilings mark the achievement of the first milestone since Google announced the open source mobile platform three months ago.

"What is happening with Android today is that we are seeing a number of technology companies demonstrating how Android will operate on their technology," Google spokesperson Barry Schnitt told AFP. He said most handsets offered a poor Internet experience and noted it was in the search giant's best interest to change that. "As people use the Web more, they'll use Google more, and we'll be able to sell more relevant advertising."

Nokia in Facebook talks

Nokia is in talks with Facebook to streamline mobile access to the popular social portal. "We are negotiating with them. That is the application you and I would like to access from our cell phones," Internet services head Niklas Savander told Reuters.

The vendor yesterday launched its "Share on Ovi" wireless file sharing service and upgraded its pedestrian maps application. "We have taken the know-how from Twango and put it on top of our mobile experience. We have optimized mobile upload. You take a picture, click twice and it's on the site," Savander said.

Nokia also unveiled a quartet of new multimedia handsets yesterday at the Mobile World Congress, including a successor for its N95 flagship phone. The \$800 N96 boasts a 16Gb drive to com-

pete with the latest iPhone upgrade. Other models include the N73 replacement N78 and a third device featuring a 5 megapixel camera.

Patrick Neighly

New Linux handsets demonstrated

The Mobile Linux foundation displayed several of the 18 handsets slated to use the open source platform.

South Korean players LG Electronics and Samsung Electronics manufactured the devices on display at the Mobile World Congress, although a further five vendors have agreed to produce Linux units including flagging US giant Motorola. "Having the Koreans on board is good news for LiMo as they will drive innovation. That said, we know that these companies will quickly desert the initiative if it does not deliver against the ambitious expectations it has set," CSS Insight analyst Ben Wood told Reuters. "To have a credible platform, a more detailed operating system framework is likely to be required."

The displayed LiMo units were the surest sign yet that Linux is slowly making inroads into the handset space. The open source platform is also employed in the hyped Google Android solution but to date has made little impact in the wireless space, although Samsung has toyed with the technology since 2006. LiMo phones have yet to reach consumers though a handful of major operators such as NTT DoCoMo have agreed to sell a limited number of handset models.

Patrick Neighly

Mobile carriers develop dedicated global IP network

Various GSM carriers are preparing to rollout the first commercial IP Xchange services using a dedicated global packet network. When IPX is fully established, it will enable mobile operators and other service providers to exchange Internet Protocol-based traffic, including both person-to-person communications and content, securely and with a guaranteed quality of service, according to a press release.

"Open to any company willing to adopt the necessary technical and commercial principles, the IPX is a private global IP backbone designed specifically to provide guaranteed levels of quality of service and security," the release said.

"The open Internet is a wonderful thing, but when it comes to providing a guaranteed quality of service, particularly for time-critical services, there is still a long way to go," said Alex Sinclair, Chief Technology Officer of the GSM Association. "By contrast, IPX should guarantee reliable and secure carriage of traffic between networks because each party involved in transmitting the data offers a pre-defined service-level agreement."

Each IPX party will have a consistent and enforceable contract, which will make them responsible for the performance and the service they provide. IPX networks are designed to a high level of security and to provide protection from spam and interference by remaining separate from the Internet and providing full traceability.

The GSMA completed the IPX specifications in 2006 and the first phase of trials of packet voice services over IPX-enabled networks ran from April 2007 to the end of that year. Further trials will be completed in the second quarter of 2008.

Carriers participating in existing or planned trials include Belgacom ICS, BT, Cable&Wireless, DTAC, Elisa, France Telecom/Orange, iBasis, Mobilkom, Proximus, T-Com, T-Mobile, Telecom Italia, Telecom Italia Sparkle, Telefonica/O2, Telefonica IWS, Telekom Austria, Telenor, Telenor Global Services, TeliaSonera, TeliaSonera International Carrier, Telus, Telecom New Zealand, Telecom New Zealand InternationalI, Vipnet, Vodafone and Teleglobe/VSNL.

Intel buys 1.3 billion kWh of renewable energy

The world's biggest maker of computer chips Intel announced that it is now top of the latest Green Power Partnership Top 25 list of Fortune 500 companies compiled by the U.S. Environmental Protection Agency (EPA), making it a major supporter for the renewable energy sector.

Under a deal with Sterling Planet, Intel will purchase more than 1.3 billion kilowatt hours of electricity from solar, wind, small hydro and biomass sources through renewable energy certificates (RECs). The power is equivalent to about 46% of the company's annual energy consumption in the U.S. The purchase will be certified by the non-profit Center for Resource Solutions' Green-e® program which certifies and verifies green power products. "Our renewable purchase is just one part of a multi-faceted approach to protect the environment, and one that we hope spurs additional development and demand for renewable energy," said Intel President and CEO Paul Otellini, who is also a member of the Copenhagen Climate Council, a global group of leaders working to achieve an effective global climate treaty at next year's UN Environmental Summit in Copenhagen.

ICT companies on EPA's Top 25 Fortune 500 Green Power Partnership List				
Position	Company Name	Annual green power usage (kWh)	Green power as % of total electricity	Green power sources
1	Intel	1,302,040,000	46	Biomass, Geothermal, Solar, Wind
7	Cisco	373,500,000	51	Biogas, Biomass, Solar, Wind
12	IBM	110,103,000	4	Solar, Wind
15	Sprint Nextel	87,600,000	47	Wind
20	AMD - Austin, TX facilities	53,518,623	113	Biogas, Wind
21	HP	50,000,000	4	Various
27	Applied Materials	19,420,000	4	Biogas, Solar, Wind
31	Dell Inc.	12,996,000	4	Biomass, Wind
34	Apple - Austin, TX facilities	9,408,700	100	Biogas, Wind
36	Oracle - Austin, TX facility	5,400,000	7	Biogas, Wind
38	Pitney Bowes	2,500,000	2	Biomass, Wind
42 (tie)	Agilent - Santa Clara sites	1,608,000	6	Wind
42 (tie)	Yahoo! - Santa Clara sites	1,608,000	7	Solar Wind

According to the company, RECs are the 'currency' of the renewable energy market and are widely recognised as having credible and tangible environmental benefits. Intel's REC purchase is equal to taking more than 185,000 passenger cars off the road each year, or avoid-

ing the amount of electricity needed to power more than 130,000 average American homes for a year, the company said citing EPA estimates.

Intel spokesperson Bill Calder subsequently told green blog TreeHugger that the company aims to stimulate investment in the clean energy sector with its purchase. At the same time, Calder said it would be difficult to purchase green energy to match 100% of the company's consumption due to supply and cost issues.

The previous leader on the EPA list was PepsiCo Inc., with 1.1 billion kilowatt hours per year of renewable energy, which was equalled to 100% of its annual usage.

Other Fortune 500 ICT companies on the EPA list include Cisco Systems, IBM, Sprint Nextel, AMD, HP, Applied Materials, Dell, Apple Computers, Oracle, Pitney Bowes, Agilent Technologies and Yahoo!.

...while Ericsson taps auction platform for renewable energy

Telecoms equipment maker Ericsson turned to World Energy Exchange to purchase 18 million kilowatt hours

of electricity via an online reverse auction platform. The platform allowed Ericsson to specify the nature of electricity it wants to buy, in this case – 25% from renewable energy sources and gave the chance to power companies to bid for the contract.

The auction resulted in the signing of a 12-month electricity supply contract valued at \$1.48 million, representing an 8.3% saving when compared to the default Standard Offer Service prices of the area utility. The auction was won by Liberty Power Corp., one of five bidders.

“Like many global organizations, our company is focused on delivering shareholder value while maintaining social responsibility. With the World Energy Exchange, we were not only able to deliver a substantial cost savings directly to our bottom line, but we were also able to buy green power for a significant portion of our usage, which is a key component in our corporate citizenship objectives,” said Vickie Bunch at Ericsson. “World Energy’s ability to supply a variety of energy options in addition to providing a transparent competitive playing field for suppliers is invaluable.”

The purchased electricity will power Ericsson’s North American headquarters in the Dallas area and give the site some 4.5 million kWh of renewable energy. The contract was signed in the fourth quarter of 2007.

Report finds positive energy benefits from tech use

A new report released by the American Council for an Energy-Efficient Economy (ACEEE) has identified a direct correlation between use of technology and the energy required for economy productivity.

The ACEEE study, commissioned by the Technology CEO Council (TCC), found that it takes less than half the energy to produce a dollar of economic output today as it did in 1970 and that energy efficiency gains have increased significantly since 1996.

“Whether it is making our buildings smarter, reducing heating and cooling costs, harnessing the power of the sun, virtualization or enabling telecommunications, technology is a driving force in making our country more energy efficient,” said Mike Splinter, the president and CEO of Applied Materials, Inc. and chair of the TCC.

“Many of our nation’s companies have demonstrated that through technology they can do more business with less energy. Now we must ensure that we maximize the energy efficiency and environmental benefits that technology brings to our economy and that those benefits are shared by all.”

Key findings of the report – “Information and Communications Technology – The Power of Productivity” include:

- For every extra kilowatt-hour of electricity that has been demanded by ICT technologies, the U.S. economy increased its overall energy savings by a factor of about 10. Thus, these productivity gains have led to huge net savings in both energy and economic costs. The ICT is a net saver of energy across the economy.
- Data for the past 37 years indicate that the pace of energy efficiency gains has increased significantly since 1996. Whereas U.S. energy intensity declined 1.8 percent per year between 1970 and 1995, it declined at a much more rapid rate of 2.4 percent between 1996 and 2006.
- Since 1970, the United States has dramatically improved the amount of energy it takes to generate economic activity. Today, it takes less than half the energy to produce a dollar of economic output as it did in 1970. U.S. energy consumption per dollar of economic output has declined from 18 thousand BTUs in 1970 to less than 9 thousand BTUs by the end of 2008. Through that energy efficiency the U.S. has met approximately 75 percent of its new demand for energy.
- Meanwhile, the TCC released its own report, “A Smarter Shade of Green,” which in addition to highlighting the energy efficient solutions of the tech industry, urged the US presidency to implement more energy efficient measures, starting with the designation of a federal agency that will serve as a centre of excellence for the rest of the government.

The report released by members of the Council, consisting of the chief executives from Applied Materials, Motorola, HP, NCR Corporation, Intel, IBM, Dell, EMC, Unisys and Micron Technology, also urged the government to step up investment and reduce tariffs in green technologies, and offer tax incentives to encourage energy efficiency. The Council also states that companies should also launch their own energy saving initiatives instead waiting for government regulations.

Energy crisis buckling South African telecoms services

Severe power shortages in South Africa are threatening to disrupt telecommunications services in the country. Africa’s biggest economy is currently in a nationwide emergency as demand for electricity has outstripped supply and generation capacity.

The country’s power utility, Eskom has had to implement load shedding measures that have resulted in widespread blackouts – even on a daily basis. The outages have led to a five-day shut down of the country’s lucrative platinum and gold mines, and prompted economists to revise downwards the country’s GDP growth forecasts to between 3% and 4%, from a previous government target of 6%. The energy crisis has even raised speculation that FIFA may move the 2010 Soccer World Cup elsewhere to avoid potential power issues.

While all three telecommunications providers have reaffirmed that their infrastructure is insulated from the

power shortages by on site generators and UPS (uninterrupted power supply) systems, the impacts of the outages are expected to be far and wide.

South Africa's ITWeb reports that the power outages are causing havoc with end-users, whose computers, modems and other electronic devices do not have battery backup.

Computer Society of South Africa executive director Tony Parry told ITWeb that larger corporations will also feel the pinch as they must now spend more on maintaining their own UPS and on-site generation systems. Small and medium sized business are expected to be the hardest hit as they cannot typically afford to purchase backup systems, and are seeing their CPEs and PABXs go offline with the power.

In addition to the extra costs of maintaining service through generators, the country's ICT industry is also expected to experience a drop in sales because IT budgets are now going towards purchasing and maintaining power generation and backup systems. However, sales of laptop computers and 3G data cards may rise as they offer the ability to function without a power connection for short periods and to connect to the Internet without the local power grid.

The situation has led to a heightened interest in more energy-efficient ICT systems, as well as energy generation using renewable energy sources. According to online reports, Eskom expects the country's power problems to last another five to seven years.

Environment to gain importance in IT purchasing - Gartner

As part of its 10 key predictions for IT organizations and users in 2008 and beyond, Gartner says that the environmental impact of IT systems will become an increasingly important purchasing criterion for large corporations.

Gartner predicts that by 2009, "more than one third of IT organizations will have one or more environmental criteria in their top six buying criteria for IT-related goods."

The trend will be initially driven by the wish to contain costs, Gartner says. "Enterprise data centres are struggling to keep pace with the increasing power requirements of their infrastructures. And there is substantial potential to improve the environmental footprint, throughout the life cycle, of all IT products and services without any significant trade-offs in price or performance. In future, IT organisations will shift their focus from the power efficiency of products to asking service providers about their measures to improve energy efficiency."

The analyst group also predicts that by 2010, 75 per cent of organisations will use full life cycle energy and CO2 footprint as mandatory PC hardware buying criteria, pointing out that most technology providers today have little or no knowledge of the full life cycle energy and CO2 footprint of their products

"Some technology providers have started the process of life cycle assessments, or at least were asking key suppliers about carbon and energy use in 2007 and will continue in 2008. Most others using such information to differentiate their products will start in 2009 and by 2010 enterprises will be able to start using the information as a basis for purchasing decisions. Most others will start some level of more detailed life cycle assessment in 2008," it said.

"By 2011, suppliers to large global enterprises will need to prove their green credentials via an audited process to retain preferred supplier status. Those organizations with strong brands are helping to forge the first wave of green sourcing policies and initiatives. These policies go well beyond minimizing direct carbon emissions or requiring suppliers to comply with local environmental regulations."

Only three telcos make Global 100 "Green" list

The telecommunications industry came in dead last in an annual list of corporate sustainability.

The Global 100 Most Sustainable Corporations in the World is compiled by Canadian media firm, Corporate Knights Inc. and international investment advisory, Innovest Strategic Value Advisors Inc. and lists the top 100 companies from 17 countries. The companies were evaluated according to how effectively they manage environmental, social and governance risks and opportunities, relative to their industry peers.

The project identifies the world's most sustainable corporations in 10 categories, including consumer discretionary, consumer staples, energy, financials, health care, industrials, information technology, materials, telecommunications and utilities. The report is targeted primarily for investors looking

The project, launched in 2005, is unveiled at the high-profile World Economic Forum in Davos, Switzerland every year.

Only three telecommunications operators, NTT DoCoMo, British Telecom and Cable & Wireless made the list for 2008, the least number of companies in any category. Information Technology firms fared better with nine firms making list, including Nokia, HP, Intel, AMD, SAP, Ricoh, Agilent Technologies, Tietoenväri Oyj, and Electrocomponents PLC. Of the operators included in 2008, BT and DoCoMo have made the list since 2005 while Cable and Wireless joined in 2007. Interestingly, Deutsche Telekom made the list in 2006 and 2005 but not since while AT&T was listed in 2005 and Vodafone in 2006 only.

For more information on the Global 100 Most Sustainable Corporations in the World, visit: <http://www.global100.org/index.asp>

IBM to build green data centre for Indonesia's Kalbe

Indonesia pharmaceutical and health company, Kalbe, has tapped IBM for a major data centre consolidation project as well as the implementation of green technologies into new facilities to meet the company's growing technology requirements and cost saving objectives.

The project has the explicit goal of reducing energy consumption as well as reducing information technology maintenance and space in its own data centre facilities across Jakarta. During the initiative phase, the project will consolidate Kalbe's existing 13 data centres into five facilities.

"Kalbe is expanding its business into the pharmaceuticals and consumer products segments by developing various products and providing a technology-based electronic distribution system," said Vidjongtius, information technology director, Kalbe. "In addition to supporting our fast expanding business, we believe the time is right for Kalbe to make a cost-saving and energy-saving purchase. The IBM data centre solution allows us to concentrate on continuing to provide the production system and staff with the tools necessary to succeed, while also being environmentally conscious."

The initial phase is scheduled to be completed between eight to 24 weeks, compared with the 40-week industry norm, the companies said.



Last but not least...

Telenor Pakistan goes solar: Mobile operator Telenor Pakistan has launched a solar-electricity hybrid system to power one of live network sites in Buner. The pilot site runs entirely on solar energy during the day and switches to electricity or battery power at night. The company plans to expand the use of solar energy to power other base stations in the country. Another area of focus is to create and install other hybrid power combinations such as solar-genset, solar-electricity, and solar-wind to power its base stations across Pakistan.

Five telecoms firms delisted from UN Global Compact: India's MTNL, Israel's ECI Telecom, Telecom Georgia, Lattelcom of Latvia, and M3 Communications Group from Bulgaria were among a group of nearly 400 international companies that have been delisted from the UN Global Compact, a program launched in 2001 and signed by thousands of companies committing themselves to 10 principles in the areas of human rights, labour, the environment and anti-corruption. The companies were delisted for failing to submit an annual "communication on progress" – a public statement on their progress in implementing the 10 principles – for three consecutive years.

TeliaSonera goes digital for annual reporting: Scandinavian operator TeliaSonera has released its annual report in digital format as part of the company's ongoing efforts to reduce its impact on the environment. According to the company, the digital annual report will save about 20 tonnes of paper annually, or the equivalent of 120 trees. In Sweden TeliaSonera has switched to green electricity and has reduced its carbon dioxide emissions by 70% since 2001.

Nokia Siemens Networks signs WWF partnership: Nokia Siemens Networks has signed an agreement with global conservation organization, WWF, to work together in the next three years to further strengthen environmental awareness within the equipment vendor. The agreement will include training workshops, global Web campaigns and other environmental-related information sharing for Nokia Siemens Networks employees.

In the next issue of Green Telecom

Fear and loathing in the age of US\$100 oil – How will surging oil and coal prices impact the telecommunications sector?

If you have comments and insights on this topic and would like to share them with your peers, please contact our editor, Tony Chan (tony@commsdaymail.com).

Visit www.greentelecomlive.com for more coverage as well as access to exclusive interviews with industry insiders such as Matthew Bauer, CEO of BetterWorld Telecom, North America's first certified carbon-neutral telecoms operator.