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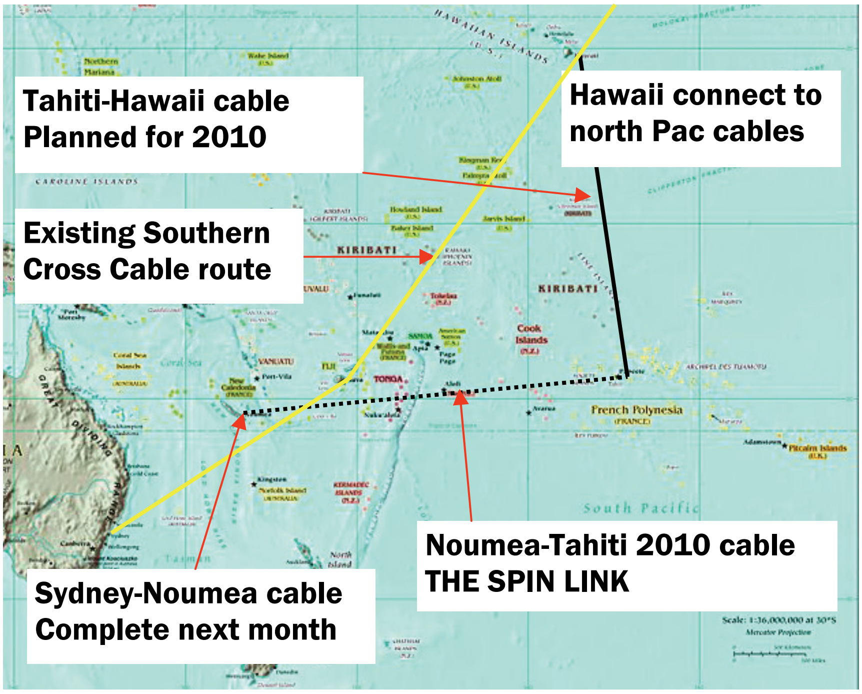
Pacific link creates new Australia-US route

International capacity in Australia is set to receive yet another boost after plans were confirmed for a new cable linking Australia via New Caledonia and French Polynesia to Hawaii.



The South Pacific Islands Network (Spin) submarine cable project confirmed a new 6,500km east-west submarine cable, which will connect a Sydney-Noumea cable through New Caledonia, Wallis and Futuna and Tahiti to its Tahiti-Hawaii cable at a cost of some 150 million euros.

The planned South Pacific link was first revealed by CommsDay last August, with the complete cable likely to rival Southern Cross Cable, Australia Japan Cable, and under construction cables from Pipe Networks and Telstra. Pipe's PPC-1 is currently underway to connect Sydney to Guam while Telstra recently landed the Sydney end of its Sydney-Hawaii cable with vendor Alcatel Lucent.

West of New Caledonia, the Spin cable will link to a 2,150 km cable from Sydney to Noumea due for completion this August. Eastwards of Tahiti, the 4,650 km Tahiti-Hawaii cable is due for completion in April 2010, the same year the central cable is due to finish construction.

Spin CEO Remi Galasso has said that the central cable will have initial capacity of 20Gbps, ultimately expandable up to 320Gbps. The company is currently in the tender process to select a builder with a final decision expected in September.

The project has the financial backing of the French Government, with the governments of New Caledonia, Wallis and Fortuna, American Samoa, Nuie and French Polynesia also on board.

But while the new cable will be a direct capacity rival to Telstra's Sydney-Hawaii build, the company did not baulk from fresh competition. "We welcome competition on such a busy route between Australia and the US," a spokesman told CommsDay.

CommsDay reported in January that Alcatel-Lucent had won the 72.2 million euro contract to build the link from Hawaii to Tahiti, along with a 305km network between French Polynesian islands with an “ultimate capacity” of 320 Gbit/s. We first reported plans for the New Caledonia-Tahiti leg in late August 2007.

Luke Coleman

Nokia net profits down 61%

Nokia has seen profits fall 61% in the second quarter mainly because of a one-time gain in the same period last year when the company booked a network joint venture with Siemens.

Nokia’s net profit was US$1.75 billion, or 46 cents per share, down from $4.49 billion, or $1.14 per share, a year earlier, while sales rose 4% to US$21 billion.

The second-quarter result from last year included a $2.98 billion gain from the formation of Nokia Siemens Networks, a joint venture with Germany's Siemens.

Excluding special items, Nokia said its profit rose 8% to US$2.18 billion. The Finnish company said Thursday its share of the global market for handsets has grown to 40%, from 38% in the second quarter of 2007.

Nokia said it shipped 122 million handsets in the quarter, up 21% from a year earlier, reassuring many market watchers who had expected slower sales due to the global economic downturn.

The company said it now expects global device volumes to grow by 10% or more in 2008 from a year earlier, while the handset market is expected to be flat in euro terms.

“The strong unit sales volume together with the raised outlook makes this a nice report,” said eQ Bank analyst Jari Honko. Analysts also expected earnings of 56 cents per share on $20.05 billion in revenue, on average, according to Thomson Financial.

“Nokia’s profitability was a nice surprise,” Glitnir Bank analyst Michael Schroeder said, adding that profit margins in both the cell phone and the network divisions were higher than expected.

“Looking at the rest of the year, we are optimistic and have had good feedback about the broad range of new products we expect to sell in our device business,” said Nokia chief executive Olli-Pekka Kallasvuo.

However, the closely watched average selling price of Nokia phones continued to fall because of higher volumes of cheaper phones sold in emerging markets and a negative impact of the weak dollar. The average price for a Nokia handset was $117, down from $125 in the first quarter of the year and $143 in the second quarter of 2007.

In terms of volume, the company had its biggest sales growth in Asia, Latin America, the Middle East and Africa. Sales of Nokia phones were up 10% in North America and flat in Europe.

Moreover, Nokia’s products range from no-frills cell phones that are selling in high volumes in emerging markets to more pricey smartphones equipped with GPS navigation and music players. The company employs about 117,000 people worldwide.

Pamela Perez

India DoT to tender nine 3G licenses

The Indian Department of Telecommunications may be considering a proposal to tender 9 licenses for 3G services in place of an earlier proposal of 5 players, said the Business Standard.

This move, could resolve the year-long controversy over scarcity of spectrum, will be made possible because wireless experts in the ministry have reportedly identified bands for over 20 MHz of additional spectrum that would accommodate at least four more operators, wherein each operator will be given 5MHz.

Incumbent operators have been against DoT’s decision to open the auction of 3G services to new players including foreign telecom companies, arguing that competition is fierce enough and that allowing more players would only lead to over-bidding and unduly high licence fees that would make services expensive and unviable.

DoT has already earmarked 25 MHz spectrum for 3G services on the 2.1 gigahertz band to be auctioned to five operators. Of this, one will be reserved for state-owned BSNL.

Moreover, there are currently 10 to 12 operators offering 2G services, including incumbents and companies that were recently granted licences and yet to start operations. Industry experts expect another 3 or 4 new players that want to enter India’s rapidly growing mobile services market to bid for 3G licences.

DoT had doubled the reserve price recommended by sector regulator TRAI for ‘A' category circles, Delhi and Mumbai, to US$37.2 million. For ‘B' category circles, Chennai and Kolkata,the reserve price is US$18.6 million. For the ‘C' category, it is US$7 million.

The government had expected to earn around US$4.7 billion from 3G auctions. With more licences available, operators may lower their bids, but the revenue generated from them will be much higher than initial government targets.

GOVERNMENT REVIEWS M&A NORMS? The DoT has reportedly been tipped to review the norms on M&As in the telecom sectors, in a bid to clamp down on speculators and pick out the non-serious players, said the Economic Times.

According to the report, the government is planning to restrict start-up telecom companies from selling out within a certain time period. DoT, while announcing the merger guidelines in April 2008, had said that an operator must complete three years in a circle before it can merge or be acquired by another operator. Under this clause, several existing players such as Idea, Aircel and Vodafone Essar, who were recently awarded new licences in many circles cannot proceed with mergers in these zones.

However, such restrictions do not apply to new entrants like Datacom, Unitech, Swan and Loop Telecom, who were granted telecom licences earlier this year.

According to complaints from existing players, these norms would help new entrants, who got licences for a mere US$385 million, to make easy money by selling a majority stake.

In addition, DoT, in consultation with telecom regulator TRAI, is trying to bring in more clarity on computing spectrum transfer charges and spectrum enhancement charges, which will be applicable to existing as well as new players.

While DoT’s earlier norms had said spectrum transfer fee would have to be paid in the event of an M&A between existing players, it had not quantified this charge. Sources said DoT, while reviewing norms, will explicitly define spectrum transfer charges following an M&A transaction. The revenue implications are likely to be factored in and submitted to the finance ministry.

Pamela Perez

Google sales, profits soft

Google displayed rare weakness in its 2Q results over the weekend, unsettling investors and analysts with weaker-than-expected revenue growth and a fall in net profit.

The search giant said income rose 39% to $5.37 billion in the three months through June even as earnings fell $60 million to $1.25 billion compared to the same period a year earlier. Google averaged quarterly growth above 50% last year and this spring found itself faced with flat ad performance for several months in a row, leading to speculation Google—or at least the online ad sector on which it relies for the bulk of its cash flow—could be hitting a ceiling.

CEO Eric Schmidt spun the quarter as a triumph. “Strong international growth as well as sustained traffic increases on Google’s Web properties propelled us to another strong quarter, despite a more challenging economic environment,” he said in a statement. In a later conference call with analysts, he described the weakening environment as spurring a “flight to quality and measurability” and hinted efforts to weed out bad clicks and low quality ads would ultimately pay off despite short term concern over performance at its AdSense operations. Investors disagreed, shaving 7.6% off Google’s share price on Thursday.

The quarterly figures are ironically good news for rival Yahoo as a breakdown of ad sales could convince its shareholders to stick with current leadership and a Google alliance rather than sell to Microsoft. “Google took more than its fair share of the overall increase in search spending: For every new dollar spent on search in Q2 2008 versus Q2 2007, $1.10 went to Google,” Efficient Frontier analyst Lee-Ann Prescott noted in a blog. “Yahoo lost 9¢ and Microsoft lost 1¢. In other words, advertisers are putting all of their new search dollars into Google, and pulling money out of Yahoo Search and Microsoft Live Search.”

But problems persist there as well. Google said paid clicks fell 1% sequentially - it’s first ever sequential dip in that category. The segment grew 19% year over year but that too was a record

low. Google said more than half its revenue came from international markets and admitted weakening consumer spending could be impacting that part of its business, hinting at a global downturn. The company said a prolonged downturn could drive surfers to its ads as they search for bargains.
RUSSIAN AD BUY: Google has agreed to pay $140 million to acquire advertising agency ZAO Begun from Russian portal operator Rambler Media. The purchase gives the search engine access to 40,000 ad partners and exposure to 143,000 Russian sites. “This agreement means more Russian users, advertisers and partners will get better search results and more relevant advertising,” said Google emerging markets managing director Mohammad Gawdat. The deal is expected to close in two months.

SonyEricsson to fire 2,000

SonyEricsson will fire 2,000 workers in response to "challenging market conditions" after filing dismal 2Q financials. The joint venture said quarterly sales dipped 9% to €2.8 billion on the back of 24.4 million handsets. But profit plunged a massive €214 million to just €6 million in the period on operating costs and a hammering in the high-end handset segment, on which SonyEricsson relies for the bulk of its business. The company had issued warnings for each of the previous two quarters but last week predicted a 10% bump in its handset unit sales.

Average selling prices fell to €116 from €125 a year earlier, while gross margin lost more than six points to hit 23.1% per handset. President Dick Komiyama blamed a poor product mix lacking low-end phones but said the mass layoffs should produce €300 million in annual savings while creating a “faster more agile and more cost-efficient organization that can continue to create innovative products that excite customers.”

SonyEricsson is the fifth ranked handset supplier in the world with an 8% market share.
Parent firm Ericsson meanwhile unveiled an HSPA frame agreement with Japanese operator Softbank Mobile. The deal covers network expansion and improvement in three major cities. "With this contract, Ericsson will expand its business with Softbank by providing enhanced HSPA on new and existing base stations in the high traffic areas of Tokyo, Nagoya and Osaka," the vendor said in a statement. Financial terms were not disclosed.

Patrick Neighly

AT&T mystery: free WiFi for iPhone users?

AT&T needs little help marketing the iPhone after last week’s record launch. But a weekend systems error suggests the US carrier has an ace up its sleeve to woo potential subscribers should sales prove disappointing over the long term. The carrier accidentally posted a notice on its site claiming iPhone subscribers could access its 17,000 Wi-Fi hotspots for free.

“AT&T knows Wi-Fi is hot, and free Wi-Fi even hotter, which is why we are proud to offer iPhone customers free access to the nation's largest Wi-Fi hot-spot network with more than 17,000

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hot spots," the notice read. "Now users can relax and access music, email, and Web browsing services with their favorite blend in hand from the comfort of their favorite location."

The announcement was quickly removed, mimicking a similar scenario two months ago. The two slips both ignited wildfires throughout the blogosphere even though the carrier almost immediately doused speculation each time. AT&T told CommsDay it would not comment on future plans nor discuss the notices beyond describing them as errors.

LBS licensing boom predicted

The pending location based services explosion will catapult LBS infrastructure licensing revenue to $2.2 billion within five years compared to just $111 million today, according to ABI Research.

But the forecast is predicated on operators retaining control of delivery amid growing challenge from direct-to-consumer services relying on remotely hosted third party applications. Mobile players will have to leverage differentiators such as locational advertising and anonymous bulk services to succeed, said analyst Dominique Bonte.

"Several trends are driving the growth of LBS services and platform revenues," Bonte said.

"Decreasing costs for the integration of GPS receivers in handsets, the increasing number of Secure User Plane Location server deployments by carriers investing in LBS infrastructure, the availability of A-GPS/SUPL-compatible handsets, and the commercialization of a growing number of LBS applications are all contributing to increasing sales of LBS infrastructure systems such as Mobile Location Centers, Position Determining Equipment and Location Enabling Servers."

Ericsson, Telecommunications Systems and Nokia Siemens Networks enjoy dominance in the sector with a combined 73% market share.

EU ON WARPATH OVER RINGTONES
European Union officials have warned against Internet ring tone sites. Consumer affairs commissioner Meglena Kuneva said a study of 500 sites revealed 80% violated consumer advertising rules by masking the real cost of downloads or secretly signing users to subscriptions. "It's clear that consumers have been ripped off," she said, urging national regulators to put the brakes on rogue ring tone operations. The segment generated $1.1 billion last year and represents a third of mobile content sales on the continent.

MOTOROLA SUES DEFECTING MANAGER
Motorola sued a former executive for allegedly violating a non-compete agreement by taking a job with Apple's iPhone division, Reuters reported. Michael Fenger accepted "millions of dollars in cash, restricted stock units, and stock options" in exchange for agreeing not to join a competitor for two years after leaving Motorola, where he oversaw mobile devices in Europe, the Middle East and Africa, the lawsuit said. But he took the iPhone vice president of global iPhone sales position on March 31, less than a month after leaving Motorola, said the lawsuit filed in Illinois on Thursday.

KIDNAPPED GLOBE TELECOM WORKERS SAFE
Two abducted Globe Telecom employees have been rescued from suspected extremist gunmen in the southern Philippines, police said on Saturday, but their abductors escaped. Officers clashed with the gunmen holding employees of Globe Telecom in Basilan island late Friday and drove the captives to safety, reported AFP.

AIS ENDORSES BOND ISSUE
Thailand's Advanced Info Service's shareholders approved the issuance of up to Bt14 billion bonds, which will be used to finance its network expansion. The company said in the statement to the Stock Exchange of Thailand that shareholders also endorsed the second-half dividend payment of Bt3.30 per share, pushing the 2007 dividend to Bt6.30. The additional dividend will be paid on May 8

green telecom

The path to sustainable telecommunications practices

JULY 21 2008: Green Telecom is a supplement to all CommsDay regional editions that highlights the move towards sustainable use of telecoms products and services. Editor: Tony Chan at tony@commsdaymail.com More information can be found at http://www.greentelecomlive.com

Head to head challenge: Nortel targets Cisco "energy tax"

A war of words is brewing between Nortel and Cisco on the energy efficiency front as the two companies head towards a direct confrontation on the energy consumption characteristics of their respective product portfolios.

In an unprecedented marketing move, Nortel is targeting Cisco specifically in a focused campaign that claims its rival's equipment consumes more energy than comparable Nortel gear, hence representing an "energy tax" on its customers.

Nortel went as far as to create the Nortel Energy Efficiency Calculator, which will not only calculate the energy consumption of deployments using Nortel gear, but also tells users how much energy those deployments save compared to similar deployments using Cisco equipment. The calculator, which was introduced at Interop in May, has its origins in a Nortel-commissioned report by third party testing house, The Tolly Group. The Tolly report compared the energy consumption characteristics of its products against "comparable" Cisco gear and found that "Nortel ERS switches and routers consistently consume less energy than Cisco devices tested."

The Tolly report compared Nortel's 8800, 8300, 5520-48T-PWR, 4548GT-PWR switches and Nortel Secure Router 4134 with Cisco's Catalyst 6506-E, 4506-E, 3750-E PoE-48, 3560-E PoE-48 switches and Cisco 3845 Integrated Services Router. The report found that Nortel's equipment offers power savings ranging from 3.97% to 42.77% over their Cisco peers depending on the model.

Go to the Nortel Energy Efficiency Calculator at: http://hyperconnectivity.com/en/saveenergy/

The results of the reports and the corresponding energy consumption figures were then used to create the calculator, which allows users to input six parameters, such as number of employees, location and industry, to determine the energy savings for Nortel deployment vs a deployment using Cisco equipment.

Nortel has been leveraging the results of the report and the subsequent results of its calculator as a major marketing push, primarily on its Web site and through blogs by Nortel executives, with one post going as far as to suggest that one educational institution (unnamed) decided to put a Cisco order on hold after using the calculator at Interop.

CISCO RESPONDS: Cisco meanwhile responded on its own blog with data centre switching solutions manager, Omar Sultan, pointing out inconsistencies in Nortel's claims, mainly on the fact that the Tolly figures were arrived at when the equipment were simply plugged in and not carrying any traffic.

"The salient point is that these power values are for two switches plugged-in and idling with no connections--the assertion is that if there is such a discrepancy at idle, imagine what happens when we actually forward packets," Sultan wrote on Cisco's blog. After an extensive list of "if this, then it should be that" assumptions, Sultan concludes: "I think it is reasonable to deduce that the Nortel 45xxT is in the same neighbourhood as the Cisco Catalyst 3750G when used to actually forward packets."

The battle has extended beyond the voice of the two companies, with "independent" bloggers and commentators posting their views on the claims.

What is clear is that the situation is far from clear. One oft quoted blog post comes from Tom Raftery, a co-founder of a so-called, "hyper energy-efficient data centre" in Cork, Ireland, who posted on 5 May on the blog, Lower Footprint, his regret for selecting Cisco equipment after reading about Nortel's calculator. What few people picked up on is that fact that the same Tom Raftery posted a follow up on another blog, Greenmonk, 10 days later that criticises the same calculator.

"This calculator is supposed to take inputs based on the industry sector you are in, the number of employees or your location and report your potential energy or $ savings were you to choose Nortel equipment over Cisco," Raftery wrote. "However the number of possible inputs is way too limited (only 6 options for each). I'm a director of CIX, a data center based in Cork, Ireland. An ideal target for this kind of campaign, you would have thought. But the lowest number of employees I can select in the calculator is 500!!!, the industry sectors are limited to public sector, financial services or retail, and the location is limited to North America.

"Worse there are only six possible outcomes no matter what input you choose! Guys, come on, you are doing yourselves no favours with this 'calculator'."

THE NEED FOR STANDARDS: Of course, the story doesn't end there. Bo Gowan from Nortel comments on Raftery's post by explaining that the example cited was NOT the Nortel Energy Efficiency Calculator, but a dumb-down version for marketing purposes.

"The actual NEEC has 30+ inputs to it, making it a very real-world analysis tool," he said. "The page you link to is an overly simplified mock-up to support an advertising campaign (since we all know the average reader has a 2 minute attention span)."

With energy efficiency at the top of the agenda for most corporate IT departments, the debate is unlikely to go away any time soon. Vendors who manage to outdo their rivals in energy efficiency will surely gain a competitive advantage over its peers. The problem is that measuring energy efficiency is a complicated task, with many more than 30 parameters that probably go far beyond the actual hardware itself.

"We ultimately need a set of standardized test and testing protocols that we, as manufacturers, can run, so that customers can make informed decisions," Cisco's Sultan wrote.

ITU sets up new standards group for climate change

A new focus group has been set up by the International Telecommunications Union to work on standards related to the impact of information and communication technologies on climate change.

The new group will focus in particular on the reduction of ICT emissions and how ICTs can assist in cutting emissions in other industry sectors such as energy, transportation and buildings.

According to the ITU, while the ICT sector currently contributes between two-to-three percent in of global greenhouse gas emissions, the sector could help cut global emissions by between 15 to 40 per cent, depending on the methodology used to make these estimates. ITU has set out an ambitious work plan for the new Focus Group on ICTs and Climate Change, which is expected to complete its work by April 2009.

The new group follows an earlier announcement by the ITU that it will systematically review all telecoms standards in light of climate change.

A key objective of the Focus Group will be to develop internationally agreed methodologies to describe and estimate the impact of ICTs on climate change, both directly and through their application in other industry sectors. The group was formed following two symposiums organised by the ITU on ICT and climate change in Kyoto in April and London in June this year.

Malcolm Johnson, Director of ITU's Telecommunication Standardization Bureau issued a call to arms for the world's ICT companies and others following the announcement of the Focus Group. "We have heard from industry and from the UN Secretary-General that ITU must tackle this issue of global importance. I encourage all interested parties to participate. This group is open to all and I encourage contributions from the ICT sector as well as other industry sectors, research institutes, and any other specialists in this field," he said.

ITU is expected to conduct most of its work using remote collaboration tools to the maximum extent, and collocation with other meetings, to minimize its own emissions. Work will start immediately using electronic means, and the group will meet physically for the first time at ITU headquarters in Geneva on 1-3 September 2008 under the chairmanship of David Faulkner of BT.

Singapore gets first green ICT solutions centre from HP

HP and Singapore's Nanyang Polytechnic (NYP) will set up the city's first "green" ICT solutions centre. The Centre will be located inside NYP and aims to train some 2,400 students and industry professionals on sustainable ICT solutions over the next three years.

The NYP-HP Green ICT Solutions Centre is expected to serve as a platform for students and staff from NYP as well as the HP team, together to work with enterprises on the development and trail of eco-friendly technologies, in particular, those that improve data centre operations such as energy and thermal technologies, infrastructure design and innovations that maximise energy efficiency, resource utilisation and business agility, according to HP. HP and NYP will jointly develop the curriculum and case studies relevant for NYP's infocomm and engineering students.

"By providing a conducive environment for students to gain real-life, hands-on experience in "green" ICT, the centre aims to cultivate a growing pool of infocomm professionals experienced in environmentally-friendly information communication technologies," HP said.

ICT bigwigs enter solar market

The world's biggest semiconductor maker will spin off solar technology it has developed to a new start up called SpectraWatt Inc. Intel will also lead the first round of funding for SpectraWatt worth US$50 million. Other investors include Cogentrix Energy – a Goldman Sachs subsidiary, PCG Clean Energy and Technology Fund, and Germany's Solon AG.

Intel's move follows closely behind similar announcements by ICT giants, IBM and HP. IBM, which has extensive semiconductor expertise, has announced a number of technologies that include recycling silicon wafers for solar panels, concentrated solar systems, and the manufacturing of solar cells using CIGS, a material combining copper, indium, gallium, and selenide while HP announced last month that it will license its transparent electronics to solar start up Xtreme Energetics.

Intel's SpectraWatt will develop and manufacture photovoltaic cells from a new facility in Oregon starting the second half of this year with the first shipments expected by mid-2009. The company will work on improving the efficiency of solar cells today, and lower the costs of solar power per watt. Andrew Wilson, the former general manager in the Intel New Business Initiatives group and CEO of SpectraWatt, told Cnet that the company has already secured a supply of polysilicon, the key ingredient for the manufacturing of photovoltaic cells.

"The solar industry is akin to where the microprocessor industry was in the late 1970s. There is a lot to be figured out and improved," Wilson said on Cnet.

Orange finds dance power for mobiles

UK mobile operator, Orange, has found a new source of energy for charging the mobile phone – dancing. Marketed as the result of months of research into alternate, sustainable energy sources to power mobile phones during summer music festivals – a la Glastonbury, the Orange Dance Charge uses kinetic energy to generate electrical power for its battery, which can then be use to charge a mobile.

The company tested prototypes of the Dance Charger at this year's Glastonbury Festival. The prototype weighs 180 grams and is about the same size as a deck of cards. It is encased in an elasticated, black, neoprene strap with Velcro attachments which is attached over the wearer's bicep. As the user moves their arms along to the music – a specially designed system of weights and magnets, similar to that found in kinetic energy watches, creates an electrical current which provides a top-up of charge to a storage battery.

Telecoms has US$1.2t carbon abatement potential – report

A new report by Insight Research claims that the telecommunications industry has the potential to abate as much as US$1.2 trillion worth in carbon emissions in the next five years by simply repackaging existing services into "green communications."

The report, "Communicating Green: Telecommunications Value in Promoting Environmental Improvement, 2008-2013," evaluated the use of existing telecommunications technologies and services applied to five key domains: transportation demand management to improve gasoline consumption; demand side management of electrical power, machine-to-machine communications to improve operational efficiencies; the recycling of electronic devices; and regulatory compliance and audits. To impact the environment positively in each of the domains, specific improvements were quantified in nine solution areas: mobile workforce; field services and personnel; data center operations; telecommuting; facilities/building management; environmental audit and compliance systems; branch and remote office capabilities; environmentally located data centers; and ICT equipment recycling.

"This report is not so much about telecommunications companies being good corporate citizens, as it is about telecommunications carriers doing what they do best – which is providing a highly reliable service in an area where people want to move data around," said Robert Rosenberg, president of Insight Research. "The thrust of the study is that there is a multi-million dollar opportunity hanging out there for telecommunications carriers worldwide to provide various services at individuals, that home owners can use, that small business can use and large enterprises can use to lessen their environmental footprint."

According to Rosenberg, the value of the potential market was derived by calculating the total volume of potential carbon emissions eliminated through the use of telecommunications services and then multiplying that number with the current price of carbon on the world's carbon trading floors.

"Once the US signs the Kyoto Protocol, those trading floors in the US, which currently consists of mostly voluntary trades, will explode," he said. "Europe had US$8 billion in carbon trades last year on a much smaller economic base than we have. That number is going to go through the roof in the US."

Telco Systems taps solar start up for energy cost relief

Israeli carrier Ethernet specialist, Telco Systems, has tapped an experimental solar energy system to power its laboratory following an intense search for solutions to lower rising costs.

Telco Systems CEO, Zvi Marom, says the new miniature concentrating photovoltaic (MCPV) solar system developed by a new Israeli start up, Distributed Solar Power (DiSP), fits perfectly to the company's requirements because it can generate both electrical power and thermal energy that can used in heat exchanges for air conditioning.

One of the key benefits of solar power for Telco Systems is that it generates electricity when the price of power costs the most during a day.

"In Israel, there is a price differential for electricity in different times during the day," Marom said. "Between 8 in the morning and 8 in the evening, electricity costs more than 6 times more than during the night."

The main difference of the DiSP system from traditional photovoltaic panels is that it uses a reflective dish to focus the sun's rays into a small energy conversion unit. Each is installed on a tracking mechanism that follows the sun during its path across the sky and is expected to generate 200 watts of power. A system that can generate 40 kilowatts of electricity would require a total area of 500 square meters housing 180 of the units, according to DiSP, who also asserts that the system is more efficient in converting energy to electricity than traditional solar power systems, and with the added thermal energy harnessed, offers a drastic price reduction for the energy.

"A detailed analysis of large scale manufacturing costs of the MCPV unit shows that the normalised cost for electricity alone is in the range of $1.5-1.75 per watt. When factoring the value of the thermal energy, the cost is reduced to approximately $0.9 per watt," DiSP said. Telco Systems is now working with DiSP to commercialise the product before the end of this year, Marom said.

CANON CERTIFIES CHIPMAKER FOR GREEN PROCUREMENT PROGRAM: PulseCore Semiconductors has achieved certification for Canon's green procurement program, which aims to minimize the use or generation of hazardous substances and maximize environmental conservation. PulseCore's integrated circuits are lead- free, halogen-free, and fully compliant with the RoHS Directive, which restricts use of certain hazardous substances in electrical and electronic equipment, the company said. PulseCore provides integrated circuits for OEMs developing digital consumer, PC peripheral and datacom/telecom devices.