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OSS NewsWatch

by Alana Grelyak

The number of lawsuits is weaving a very tangled web in the telecom industry this month. From troubles with iPhones to plenty of patent infringement cases, this month's column has payouts, drama, and plenty of news. Here's your NewsWatch for November.

Legacy phones are on the way out even faster as carriers push to make cell phones work more like landlines. Sprint Nextel and T-Mobile are both releasing technologies that will reduce dropped calls inside homes, allowing cell users to have a more reliable experience. T-Mobile, for instance, just ramped up its HotSpot@Home service with the release of the Blackberry Curve, whereas Sprint Nextel is just introduced the AIRAVE femtocell, which allows Sprint phones to connect to a broadband Internet connection. The service should be available nationwide in 2008.

Adding to the slow death of landlines, Naked DSL, if you haven't heard of it yet, is a service that allows customers to have DSL without paying for a line rental charge. Australian ADSL broadband providers are getting ready to launch the new service, which may be slightly more costly than regular DSL. However, the cost is marginal when compared with the money saved when customers no longer have to rent out a landline. This seems like yet another step in the direction of the eventual death of landlines and home phones altogether.

The iPhone makes the news again, but this time in a less than flattering light. Greenpeace has taken apart an iPhone and says that it contains "toxic brominated compounds (indicating the presence of brominated flame retardants) and hazardous PVC." Apparently, that's a no-no due to the fact that they are disallowed by RoHS requirements. One should also remember this before attempting to eat the iPhone.

Also in iPhone news, users of the device are suing AT&T and Apple Inc. for putting out a software update that disables, and actually renders useless, the phones of anyone who has downloaded an unlocking application that would allow the phone to be used with wireless networks other than AT&T. A class action suit has been filed seeking damages in the sum of \$200 million. It seems that no matter how popular or well-received a device may be, there will always be some sort of trouble.

A lawyer for Joseph Nacchio, ex-Qwest Communications International CEO who was

found guilty of insider trading, has put in an appeal asking for a reduced sentence and arguing that the court excluded an expert witness from testifying, among other things.

Iliad has been denied the chance to become France's fourth 3G carrier on the claim that it doesn't have the finances to afford the 3G license, which costs \$876.8 million. Oddly enough, shares for Iliad increased in price at the news, as did the shares for the three 3G carriers in France.



The moratorium on Internet tax has been extended another four years, until November 1, 2011. Republicans have been pushing to make the ban permanent, claiming that taxing Internet purchases will hurt the Internet's growth but opponents say banning the tax will hurt state and local governments. Opponents are also worried that services such as VoIP are wrongfully getting overlooked by the tax ban and provisions are being made to exclude such services from the tax ban in the future.

Speaking of VoIP, Vonage Holdings Corp. has settled yet another lawsuit for patent-infringement, this time with Klausner Technologies Inc. who filed the lawsuit for a voicemail services-related patent license. In the same week, Vonage settled with Sprint Nextel for \$80 million for infringing on six patents. It makes one wonder how much more Vonage can pay before the ship finally sinks.

Linda Beck, President of New Edge Networks, spoke at the Telephony LIVE Telecom Summit in Dallas and said that the telecom industry is in need of better SLAs for DSL users, in particular the small to mid-sized businesses. New Edge is even considering an SLA that will automatically issue a credit to customers when the SLA hasn't been met. How's that for customer service?

Exalt Communications has recently announced the availability of its "license-exempt EX-i series and EX-r series of next generation wireless backhaul solutions." "Exalt wireless backhaul solutions provide the quality and flexibility that my customers need, regardless of industry, application, frequency, or access technology," said Rick Greene, president of Wireless Data Systems.

Successful trials have been completed by Comfone and Skype on a collaboration for Skype's WISPr software stack for devices on WeRoam's aggregated WLAN hotspot network. WeRoam specializes in "wholesale mobility management and roaming solutions for the fixed and mobile telecommunications sector."

ISCO, a provider of radio-frequency management and interference-control systems for the wireless telecommunications industry, has proposed a merger with Clarity Communication Systems, Inc., which is still subject to approval.

Stanley T. Sigma, President and CEO of AT&T wireless, will be retiring at the end of the year. He has been with AT&T for 42 years and will be replaced by Ralph de la Vega, who was AT&T's head of telecom and entertainment and served as COO of AT&T wireless from 2004-2006.

Gary Forsee resigned from Sprint Nextel despite his recent \$5 billion commitment to transform Sprint Nextel into the largest WiMax provider in the country. He ran the company for the past four years. Chris King, analyst for Stifel Nicolaus & Co., says that that won't stop Sprint Nextel's problems. The company is losing customers and is struggling to keep pace with competitors.

Oracle made an announcement at Wi-Max World 2007 that they are handling the billing and revenue management, as well as the CRM, and financials for Bayanat, a Saudi service provider that is setting itself up to be the leading Wi-Max provider in their market. Oracle is proud that they are able to rapidly introduce value added services in a network agnostic way and they are the first company to offer an application that will process convergent services (pre-paid and post-paid) on a single system.

American Airlines hopes to start testing Wi-Fi on its flights next month and also plans to possibly have all of their 767s equipped and Wi-Fi ready in 2008. Alaska Airlines will start testing next spring and Virgin America wants to start readying its planes by mid-2008. Eventually, no place will be work-exempt and even frequent fliers will be able to continue on with their jobs as though they were snuggled up in their offices.

And remember, whether in the office or in the air, we'll continue to bring you the latest news in the telecom world. Until next time, this has been your November OSS Newswatch.

If you have news you'd like to share with Pipeline, contact us at editor@pipelinepub.com.