IMS Solution for Converged Wireless & Wireline Services



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April 22, 2005





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Architects of Next Generation Convergence

What are we saying today ...

Convergence

 End Users: LifeStyle Blended Services simplifying life and improving productivity

NGN

 Service Providers: Building The Network that will bring LifeStlye blended services to both wireline and wireless subscribers

IMS (IP Multimedia Subsystem)

 Solutions: The Standards that define the NGN and enables LifeStyle blended services

Accelerate™

 Lucent: A Brand for delivering Convergence, NGN and LifeStyle Blended Services

Agenda

- Market Drivers for Convergence
- IMS Standards and Architecture
- Example IMS Products
- An IMS Business Case for Mobile Operator
- Conclusion

Market Driver: End User Service Requirements

Seamless Communications !

- Users want access to their communications and entertainment services from many places...
 - Home, office, on-the-go
- ...using several different devices...
 - PC, telephone, mobile phone, new multifunctional device
- ...without having separate accounts
 - Single sign-on, common contacts, information/content delivery
- New family of intelligent, interactive, location-based broadband services
 - Anytime, anywhere access to messages, contact lists, calendars and conferencing
 - Live video to handheld devices
 - Mobile access to speech-enabled web services





End users demands *Lifestyle* seamless blending across wireline/wireless ... Service provider's network and business model must evolve

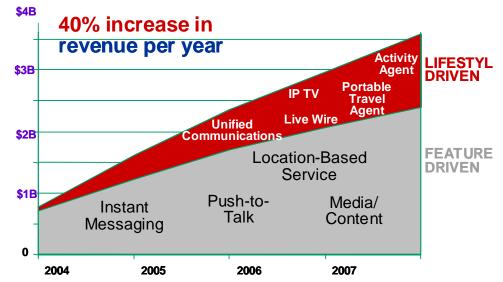
Market Driver: Service Provider Challenges

Top Line Growth and Providing Value Added Services

- <u>Revenue Replacement</u>: Need to offset decline in traditional revenue
- <u>Revenue Expansion</u>: Subscribe base increases rapidly but ARPU remains flat. Need to increase revenues from new services
- <u>Customer Relevance</u>: Address user's 'blended lifestyle' requirements for telecom services
- <u>Quicken Speed to Market Cycles</u>: Need to rapidly introduce profitable services and bundled service offers
- <u>Operational Efficiency</u>: Requirement to operate their networks more efficiently

... Top line growth, New services ...

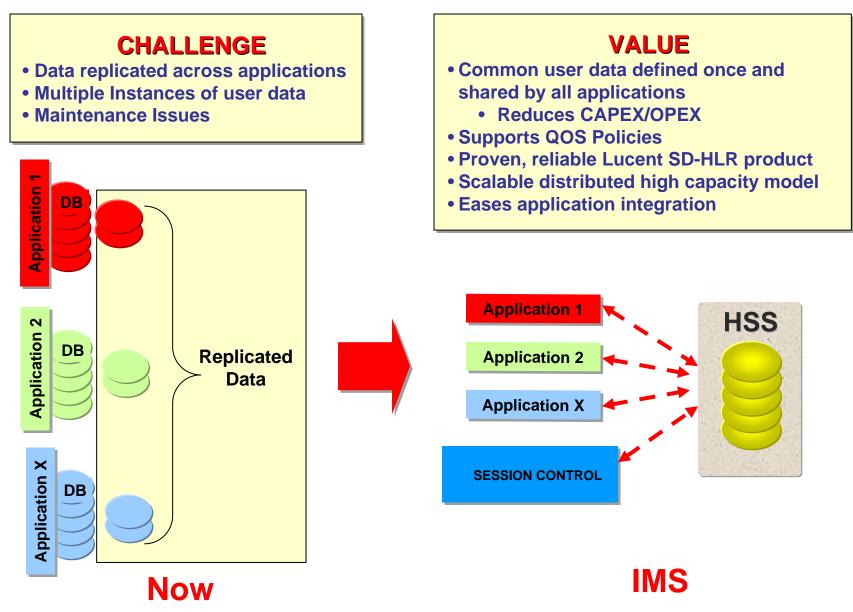
ARPU increases with Lifestyle services



Source: Lucent Primary Market Research and Modeling, 2004

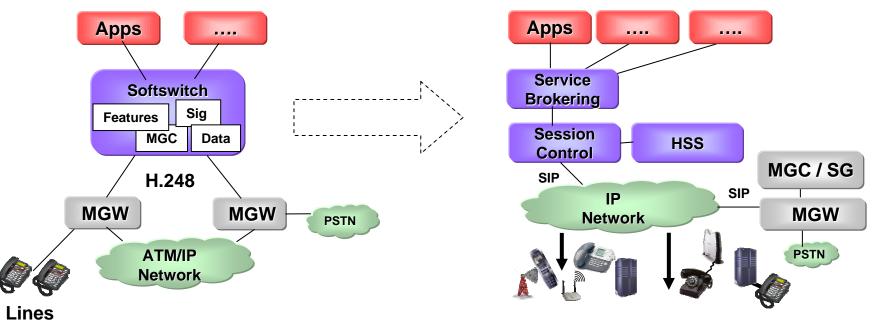
Lifestyle services help the operator maintain relationships with subscribers, regardless of how they access services

Market Driver : Single, Common Subscriber Database

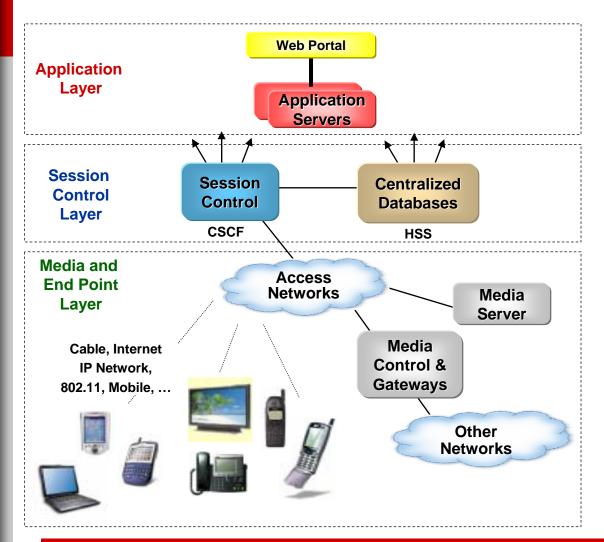


From Softswitch to Convergence IMS Brings distribution ... Blended services ...

- Softswitch paradigm splits signaling from bearer, IMS further distributes functionality with focus on next generation services (session, subscriber database, applications, PSTN interface)
- IMS maps into layers with intelligent grouping of capabilities within layers
- Intelligent distribution of functionality allows for a modular system which allows for both highly integrated and highly distributed systems
- Well defined application interfaces and Service Broker enables ultimate flexibility in service coordination, service blending, and multi-session services
- Focus is on convergence: Common infrastructure supporting voice, data, multimedia and other applications for both wireline and wireless
- Supports roaming between networks, access, endpoints with consistent services



IMS – An Industry Standard



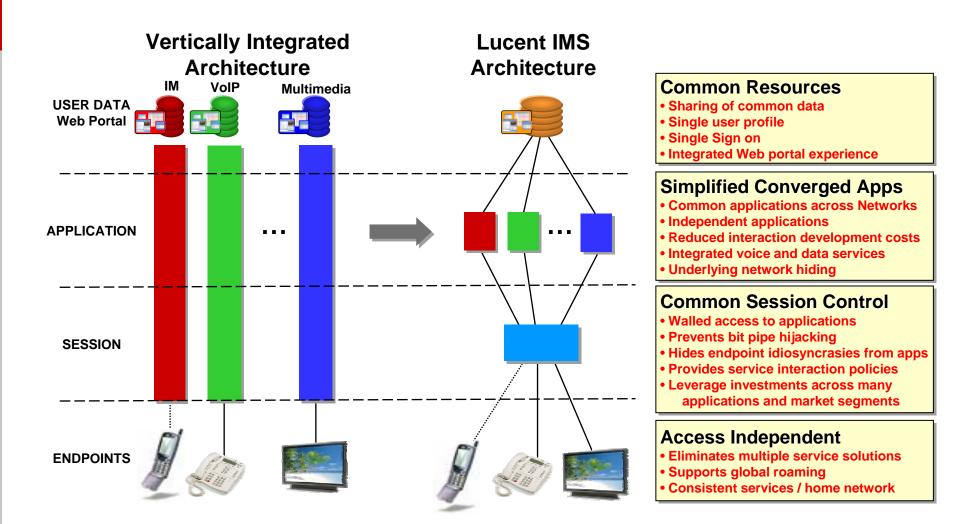
IMS IS:

- A VoIP Telephony and Multimedia Services Architecture
- Defined with Open Standard Interfaces -> 3GPP and 3GPP2
- Based on IETF Protocols (SIP, RTP, ..)
- Designed for Both Wireless and Wireline Networks
- A Solution for Service Transparency
- Capable of Interworking with PSTN and Legacy IN Based Services

CSCF – Call Session Control Function HSS – Home Subscriber Server

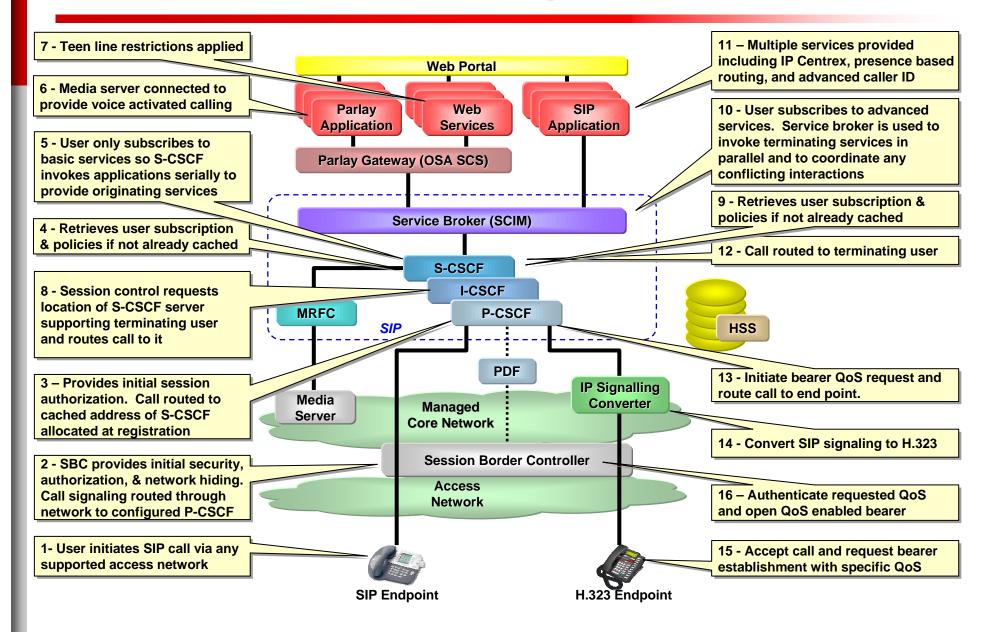
IMS Seamlessly brings the Network to You Always on ... Any Device ... Any Service

Layering of IMS Solution

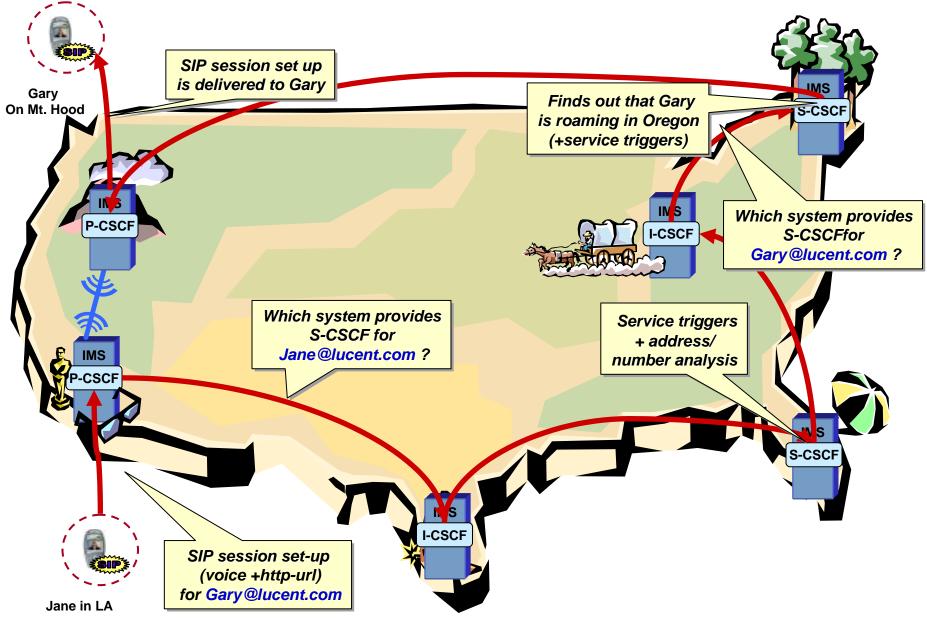


Converged services providers can build and launch services faster, efficiently adapting to market changes

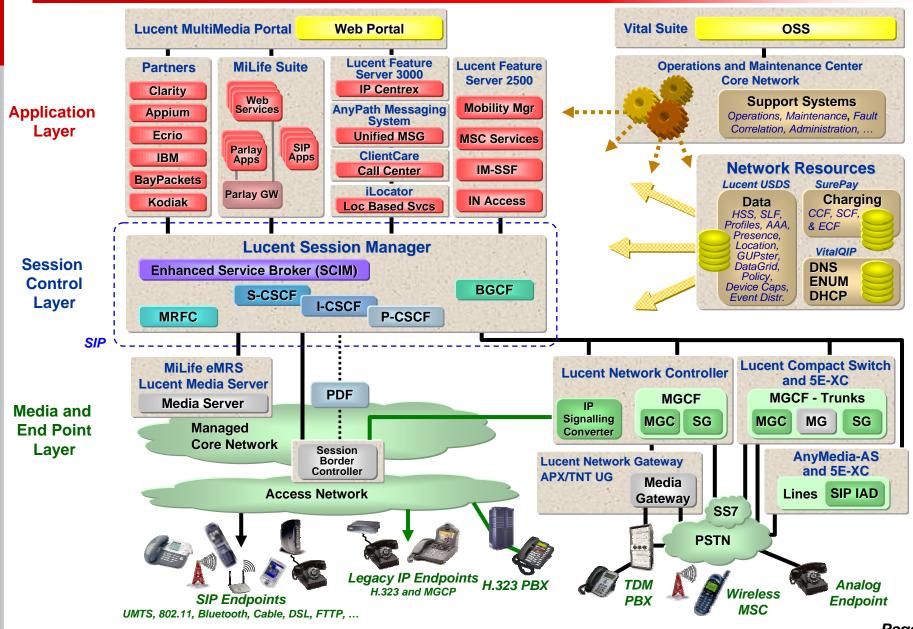
IMS Network Elements and Integrated Services Scenario



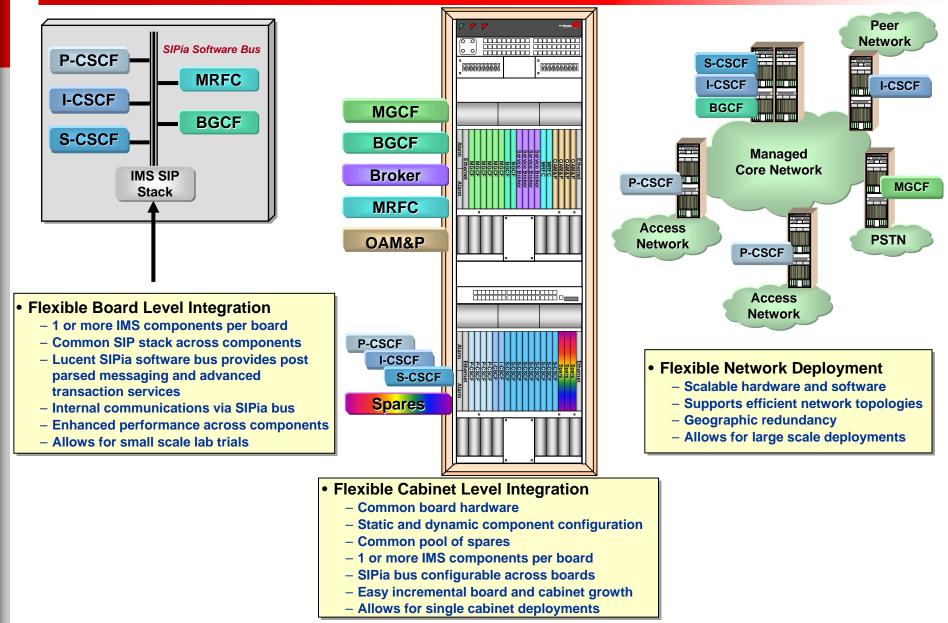
Geographically Distributed IMS Scenario



Lucent IMS Solutions Portfolio



Flexible Network Configuration



Bell Laboratories Innovation for IMS

- Service Broker
 - IMS only defines very basic serial service invocation, _ there is a need to allow more complex interactions between applications
- Network Routing Engines
- 111000\$000 1010101001 IMS utilizes the underlying IP network, there is a long allow higher level service routing decisions, e.g., capacity, 1001001001010 - IMS utilizes the underlying IP network, there is a need to
- Policy Engines
 - IMS only defines basic subscriber information, there is a need for high speed real-time static and dynamic policy decisions both for subscriber services but also for network element interactions
- Data Grids •
 - IMS only defines central storage of subscriber data, there is a need to _ centrally store and manage element specific configuration and provisioning information
- True Redundancy at Hardware and Software Levels
 - Lucent experience in developing fault-tolerant systems is integrated into our solution, e.g., redundancy managers, asserts, audits, ...

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IMS Modeling For An European Mobile Operator

What the Mobile Operator wants to know

- Quantify value of evolving from a UMTS Release 99/4 network to an IP Multimedia network through the deployment of a 3GPP IMS solution.
- Quantify advantages of IMS solution over Non-Integrated solution.
- Study performed over a 7 year period using as example a large European market with a total of 4M IMS subs

| Application | Characteristics | Market Segment | | | | |
|--|--|---|--|--|--|--|
| Push-to-Talk (PTT) | One-way Person-to- person(s). CoS: Streaming | Mainly consumers due to lack of managed QoS | | | | |
| Instant Multimedia Messaging (IMM) | One-way Person-to- person(s). CoS: interactive | Consumers, enterprise users. | | | | |
| Interactive Gaming | Person-to-person, Person-to-machine. CoS: interactive | Mainly consumers. | | | | |
| Location Services | Person-to-machine. CoS: interactive. | Consumers, enterprise users | | | | |
| Video/Audio Streaming Services | Person-to-person, Person-to-machine. CoS: Streaming. | Mainly consumers | | | | |

Example Applications

Methodology:

- A set of services was selected:
 - PTT, Instant Multimedia Messaging, Interactive Gaming, Location Services, Audio and Video Streaming, Video telephony, Rich Voice.
- A service/user model was developed to characterize BW requirements.
- Model was used to compute traffic requirements, CapEx, OpEx and revenues per service.

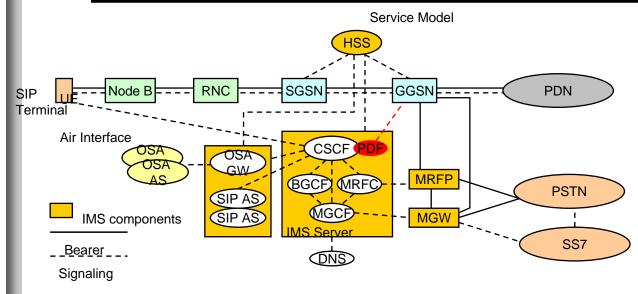
IMS Services

- Work started over a year ago when there was little or no market information on SIPbased multimedia services.
- Bell Labs conducted detailed research to properly model services.

IMS Network Elements,

Service Characterization & Modeling

| | BW Required (bps) | Session Time (secs) | Connectio n Time | Messages per Session | Bytes per session | CoS |
|--------------------|----------------------|------------------------|---------------------|----------------------------|-------------------|----------------|
| Video Streaming | 22,954 | 30 | 100% | n.a. | 86,080 | Streaming |
| Audio Streaming | 6,991 | 60 | 100% | n.a. | 52,431 | |
| Interactive Gaming | 20,200 | 300 | 50% | n.a. | 378,750 | Interactive |
| PTT | 20,200 | 60 | 50% | n.a. | 75,750 | Interactive |
| Location Services | 8,000 | n.a | n.a | 2 | 20,000 | Interactive |
| IMMM | 7,752 | n.a | n.a | 3 | 29,070 | Interactive |
| PTTE | 20,200 | 60 | 50% | n.a. | 75,750 | Conversational |
| Video Telephony | 42,400 | 60 | 100% | n.a. | 318,000 | Conversational |
| Rich Voice | 27,952 | 60 | 100% | n.a. | 209,640 | Conversational |



Network Architecture

- BL Team researched 3GPP standards in depth and LT product plans to understand architecture, behavior, and technical advantages of IMS solution.
- Developed network model to properly compute CapEx for IMS solution.

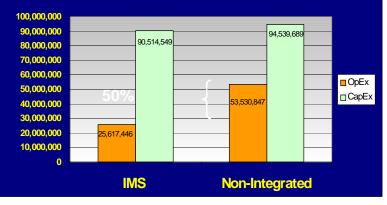
IMS Modeling – Summary of Results

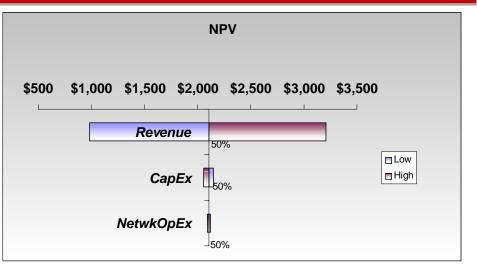
- IMS has the potential to bring in large revenues with relatively small investment.
- Revenue has biggest impact on NPV.

• NPV was still positive even with a 50% reduction in revenue or a 50% increase in CapEx or OpEx.









- IMS can bring significant savings in OpEx when compared to non-IMS solutions.
- Provisioning of new customers is the biggest factor affecting savings.

Conclusion

- Convergence is driven by end user demand for Lifestyle services and service provider's challenge to grow top line revenue
- IMS provides a convergence next-step evolution of softswitch technologies
- IMS has industry mindshare and momentum consolidated and maturing standards
- The IMS Services Architecture Solution brings true converged wireline/wireless architecture for multimedia applications, fosters and promotes the introduction of new services