

# 2007 Metro Ethernet State of the Market

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## Today's Speakers



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Kubernan / Webtorials



Richard Byrd  
Nortel

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## Survey Methodology

- Data collected in the Fall of 2006
- Primary survey base was the Webtorials community
  - Essentially equal mix of end-users and service providers
    - Parallel questions asked when appropriate
      - “you...” versus “do you think your customers...”
  - Over 200 total respondents
  - Worldwide results
    - Approximately 50% North America
  - Details available at end of presentation



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## Key Findings

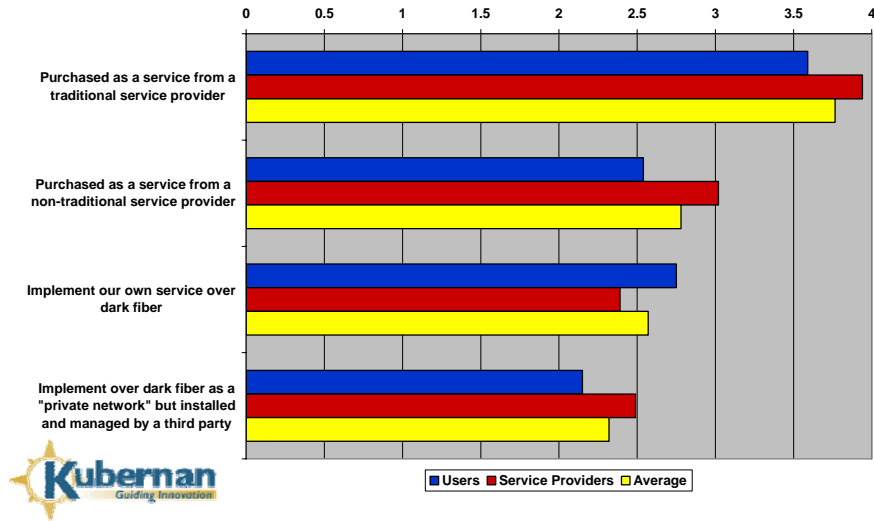
- Good demand for Metro Ethernet services
  - Primary drivers
    - Lower cost for high-speed access
    - Higher access speeds
    - Business continuity options are improved/simplified
    - Simplicity for operational staff
  - Primary inhibitors
    - High service prices
    - Managing/troubleshooting
    - Reliability concerns
    - Security concerns
  - Some stark contrasts between end-user and service provider perspectives in some cases



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## Source for Service

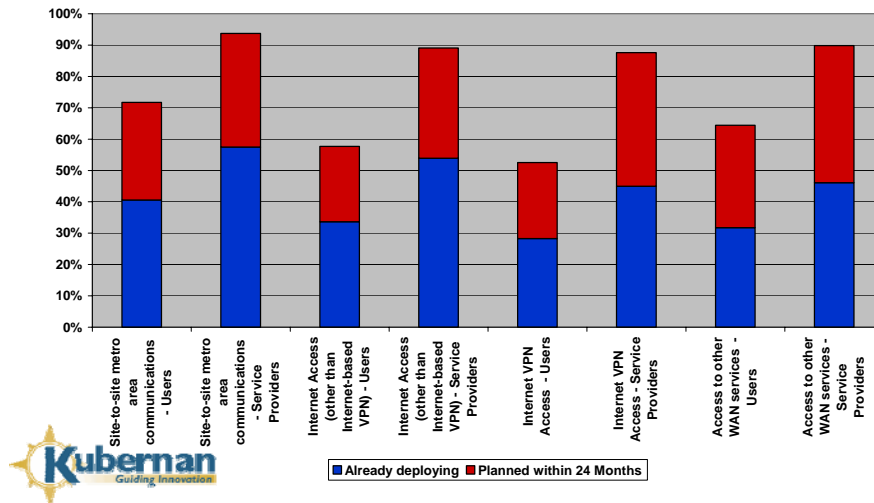
- When planning for Metro Ethernet products and services, what is the likelihood that you will deploy using each of the following for at least a part of your implementation?



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## Purpose of Metro Ethernet Service

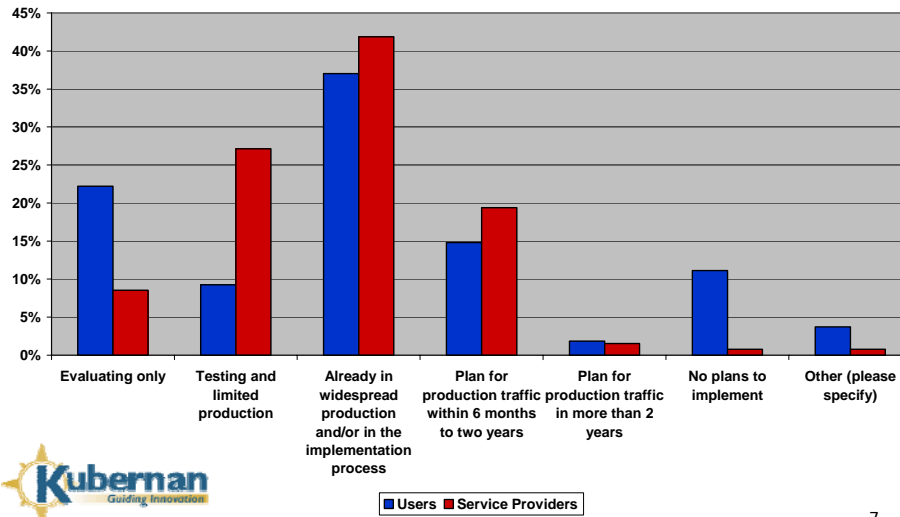
- When will you deploy the Metro Ethernet services for the following access purposes?



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## Deployment Stage

- At what stage is your company in deploying Metro Ethernet technology?

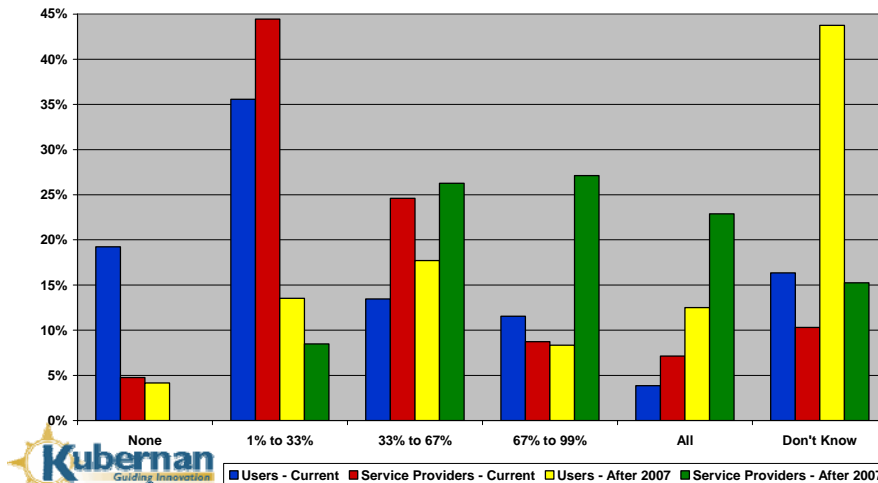


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## Site Availability

- For approximately what percentage of your company sites are Metro Ethernet Services available from one or more service providers?

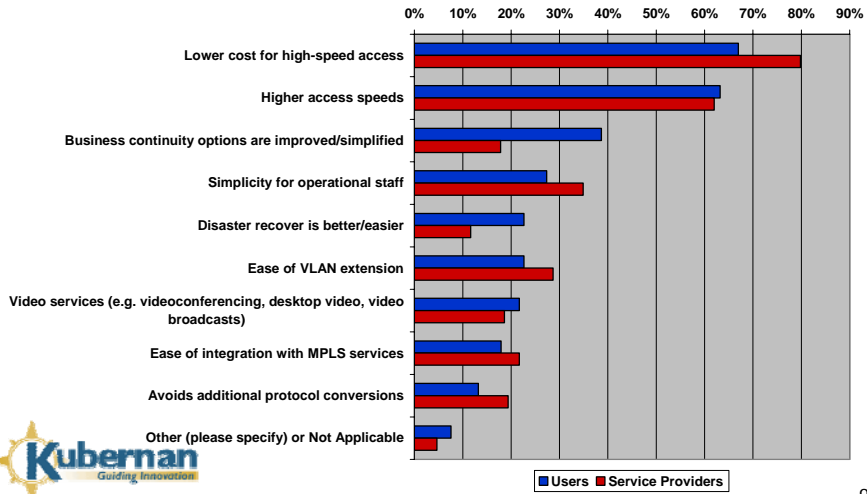
Note: Please include only those sites for which you would consider using these services.



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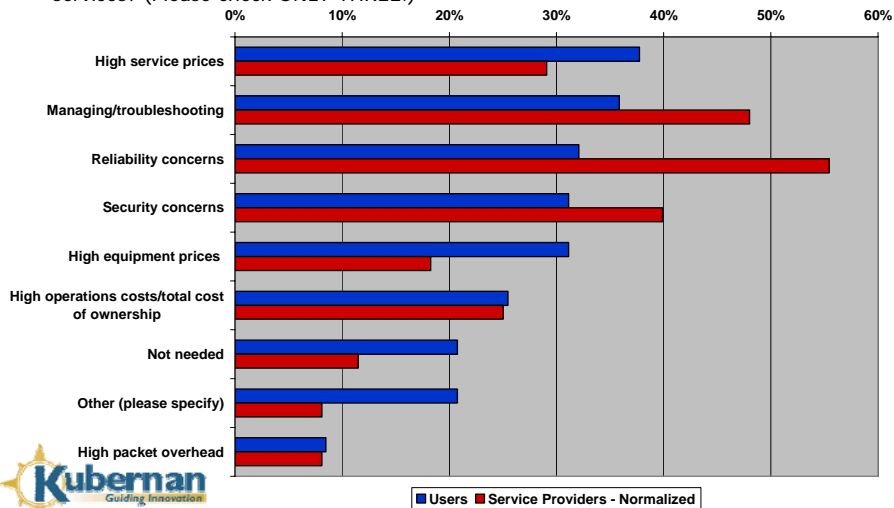
# Implementation Drivers

- What are the THREE biggest drivers behind your Metro Ethernet implementation? (Please check ONLY THREE.)



# Implementation Inhibitors

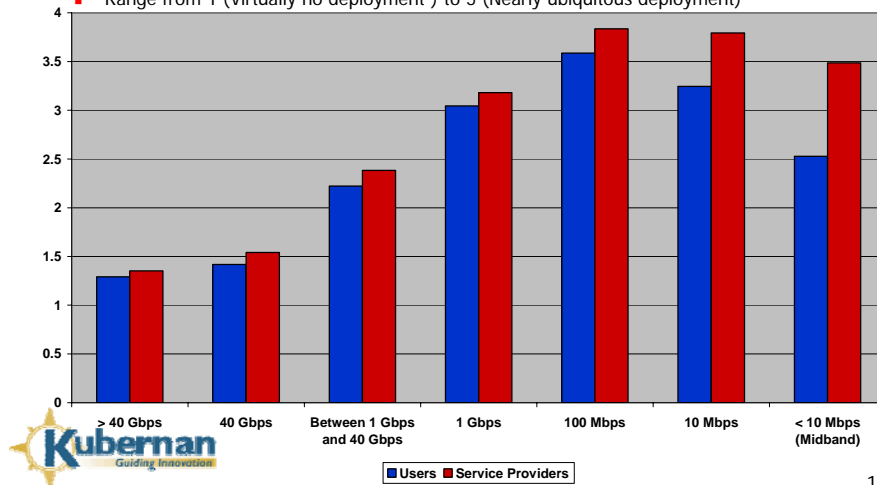
- What are the THREE most challenging factors in justifying or deploying Metro Ethernet services? (Please check ONLY THREE.)



## "Sweet Spot" for Speeds

- Which of the following speed services do you see being deployed in your network in the foreseeable future?

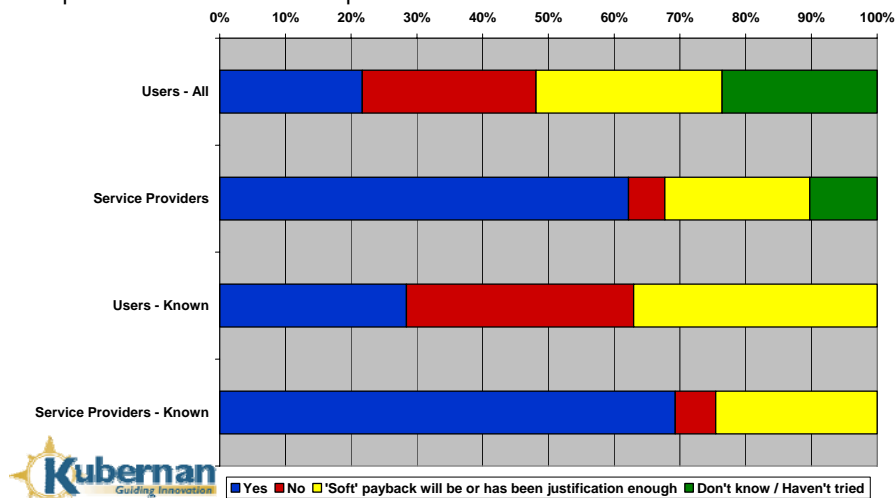
Range from 1 (Virtually no deployment) to 5 (Nearly ubiquitous deployment)



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## ROI Importance

- Have you been able to calculate a hard ROI/payback with an existing or planned Metro Ethernet implementation?



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## Sponsor's Perspective

- We see video as a primary driver of Ethernet adoption for service-provider customers.
- Customers like the reliability and cost-savings associated with Ethernet.
- Nortel organized to address these opportunities about a year ago.
- Recently announced a game-changing win with BT that signaled adoption of Nortel's (PBT) provider backbone transport, and Nortel as a 21<sup>st</sup> Century Network supplier to BT.
- We are beginning deployments in Q1 and expect this win to pave the way for wide-scale customer adoption of our PBT technology.



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**Thank You!**

**Webtorials**

## Background information

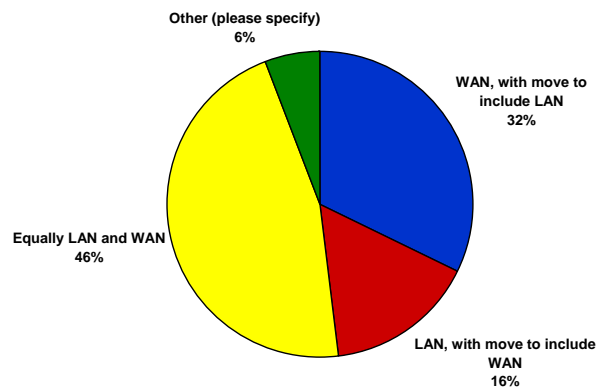
- The following slides provide some demographic information about the respondents to the survey.



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## Networking Expertise

- Which of the following best describes your *historical* networking expertise?

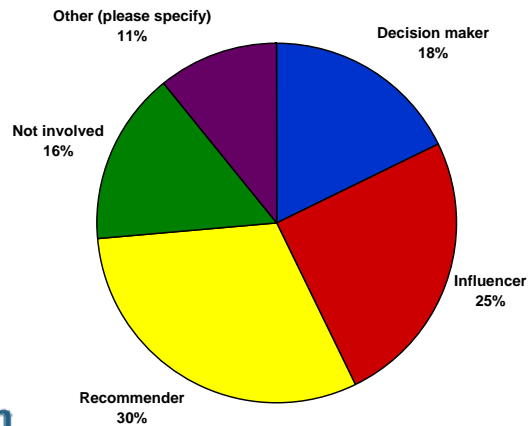


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## Role of respondent

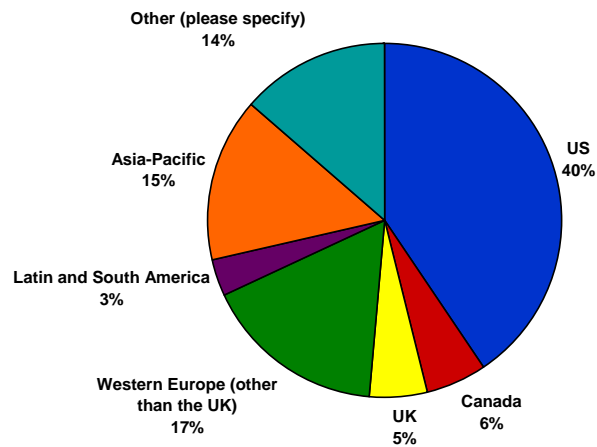
- What is your role in your company's Metro Ethernet implementation?



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## Geographic Distribution

- Where is your company headquartered?



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## Adoption Attitude

- How would you rate your company relative to how rapidly it adopts new technology?

