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# CHANNELCHOICE

THE NEWSLETTER OF GAMMA TELECOM



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Welcome to our Spring 2008 newsletter and another year of new industry acronyms, hype and techno babble. One of our objectives is to help you cut through this by focusing on services that our customers might want to buy - rather than what the industry wants to sell!

## Helping to grow your business in 2008



This was the theme of five seminars that we held across the UK in January. To nobody's surprise the real purpose was, of course, to grow Gamma's business!.. Fortunately however there is no conflict inherent in this. We passionately need the channel to succeed in the

market, particularly against the larger players that sell direct. With no channel there is no Gamma – it's as simple as that.

So how are we doing that? Our intent is to bring you a mix of products that are needed by your end customers, particularly in the small – medium business market. We all know that spend on traditional minutes is going down (albeit a bit slower than we thought) but that business communications spend is increasing overall. Our objective is straightforward: to give you a bundle of products that are collectively growing in the market, meet the needs of businesses and most importantly of all give you an edge in your end user market where you compete. We understand that it can be tough to sell against BT or Opal direct but if your products have that bit extra, rather than being a "me too" wholesale version of your competitors product then your chances are significantly increased. This focus in Gamma will increase as we move forward.

In particular, launching a Gamma mobile product into the channel is a pretty disruptive thing to do. Over the years the channel has been marginalized in

the mobile industry by networks increasingly selling direct. At a stroke we have reversed that with a product designed and developed for the channel. We hope that it can really help you to grow and develop your business in 2008.

One of the disappointments we have had recently is the substantial delays to BT's 21CN programme. Whilst the spin continues the reality is that much of the programme will be well behind (years not months) the original published timescales. This matters for us as we will have to continue to sink capital into legacy interconnects to BT, and it will restrict or delay some of the more exciting services that we would like to take into the channel. Nevertheless we will plough on and remain ready to connect our 21CN into BT's when they are ready to do so.

Finally the credit squeeze is biting all around, but this presents as many opportunities as threats. The imperative must be to help businesses reduce their costs and conserve their cash by buying differently (ie from you!), or by using communications to improve the way their business operates. This and "green" behaviour seem to be the selling points of the moment. If we can help that's great, but don't hesitate to tell us what you think you need to succeed!

**Bob Falconer**  
Chief Executive, Gamma Telecom

# Gamma on the Road

At the end of January, Gamma was on tour around the UK talking to existing resellers and potential new partners. Delegates were introduced to three key new services – Mobile, Inbound and Crosslink and were also updated on Gamma's established IP products and services. We also presented key opportunities for each product that would help channel partners leverage them in their respective end user markets.

The theme of the roadshow, 'how to grow your business in 2008', was extremely well received with over 400 resellers attending venues including Scotland, Manchester, Leeds, Warwickshire and London.

Jack Michalski of Welcome Telecom in Stroud said

"the London event was superb and a great source of ideas for using Gamma's new services to grow our business. I took two of my new dealers along who were really impressed."

Wayne Lester of Lake Technologies in Manchester echoed the feedback that many partners have been giving,

"Gamma's new mobile and inbound services really are going to make a big impact in the market. I have to say that I found the structure and entire content of the road shows both informative and inspirational, truly a reflection of Gamma's focus and commitment to channel partner growth and development. I am looking forward to a mutually prosperous relationship. Well done to all at Gamma."

Richard Bligh, Group Marketing Director at Gamma Telecom said

"the road show was a real success and the turnout more than exceeded our expectations.

What was really heartening was that there was a great mix of resellers at each event – existing customers and prospects. Our new Inbound and Mobile offerings were really well received."



# Product Updates



Available now, Inbound Release 1.2 provides enhanced End User navigation within Point my Number on [www.myinbound.com](http://www.myinbound.com), where all geographic and non geographic Inbound numbers reserved to the users' account can now simply be clicked on for creating/editing the call plans.



An updated version of Communicator will be available in May which introduces a new Teleworker / Remote worker solution that enables hot desking facilities from any location. In addition, a new number presentation flexibility is being introduced which allows users to present an individual CLI, a site CLI or withholding the calling party number.



A new release of Gamma's market leading SIP Trunk solution, IP DirectConnect v3.1 will also be available in May, expanding on the range of PBXs and SIP Gateways that can connect to the service.



FeaturePlus v4.0 introduces Music on Hold, Alternative Number Presentation, Enhanced Number Restriction, a Bandwidth Management Facility and 8 port ATA connectivity and will be available from mid April.



Crosslink will be introducing a special price promotion in May to make it even easier for end-users to try Crosslink easily, and realise the benefits, before they sign up for the service.



Available now, Gamma Mobile supports new business-class 3G handsets, including the HTC TyTn II, Nokia 6500, Sony Ericsson W910i, Sony Ericsson K770i and LG Viewty. Also look out for our new Mobile Data solution which delivers broadband for high speed data connectivity. This extremely price-competitive product will be available during Q2.

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## Financial Results

In the year to 31 Dec 2007 Gamma's revenues increased to £161m (up from £140m in 2006). Our EBITDA was £2.7m positive although this was down on 2006 (£4.7m) reflecting the substantial increased resources we have put into the business to develop and support the new product programme.

Our growth is due entirely to the decisions of our channel partners to place business with us. We don't take that for granted; as we often hear from British Caledonian Airways when travelling with them "we know you have a choice". For our long standing partners and those new to Gamma in 2007, thank you very much for your business.

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# Access – where's it all going?

Brian Mulligan recently joined Gamma to review access technologies that support the Gamma IPT platforms and will move on to a new role within Operations later this year. Brian has worked in the ISP and Telecom sectors for many years occupying a variety of senior roles and has extensive knowledge of IPT, access networks and the services and technology needed to support and operate them. Here Brian takes a look at access from an industry point of view, as well some of the more daily issues that influence it and what we should expect looking ahead.

## 21CN & ADSL

BT and the roll-out of 21CN (first exchanges due May 2008 and scheduled 55% coverage by May 2009) must be at the forefront of most people's minds when they are reviewing future services in the telecommunications arena. Amongst the promised benefits will be enhanced speed (ADSL2+) and QoS for broadband. The dial-tone will still be there for the phone user, played by the new line cards at the exchange, however 21CN will be able to deliver this call using SIP signalling directly to the CP's softswitch.

Not all these services will be immediately available – in fact the two features described above are not likely to surface until 2009. As one of BT's largest partners Gamma are ideally placed to track these developments and deliver the benefits to our resellers when they are available and fully functional.

For most of us however, speculation on future developments will take second place to the daily demands of delivering existing products to our customer base. For IPT, and in particular hosted services, the most important aspect is access. Solutions involving leased lines and Ethernet often do not cost-in for low volumes of channels and the reseller will often turn to ADSL as the most cost effective alternative. New versions of ADSL are making this option appear increasingly attractive

but two issues should remain at the forefront of the cautious reseller's mind – 'line quality' and 'line length'.

## Line Quality and Length

ADSL2+ and its variant AnnexM (faster upstream performance) offer enhanced speed. However, they are not yet widely available and all flavours are supplied 'subject to line quality'. Quoted maximum rates are often hard to achieve and will fall away as radial distance increases. Gamma testing has shown that improved speeds are a reality although a line that delivers stable performance for ADSL2+ will generally be capable of performing well at Max Premium speeds (up to 832Kb/s upstream - and it is upstream that matters for VoIP). For 21CN broadband BT's own tests to date show that only 50% of users will see speeds in excess of 6.3Mb/s and barely 10% speeds over 12.3Mb/s.

With this in mind, resellers need to pay particular attention to the results of the 'availability checks' made on the line and take careful note of the predicted speed before committing to specific line capacities. These tests are far from being an exact science and once the broadband line is installed a further check should be made to the Gamma Speedtester (coming soon) which will offer a 'snapshot' of the line performance metrics, capacity, packet loss, jitter and latency.

The bottom line is that whilst ADSL2 is definitely a step forward, paying extra attention during the provisioning process to line tests will pay immediate dividends in customer satisfaction regardless of the ADSL flavour.



# SIP Trunking – Your Questions Answered

Alan Mackie, Senior Product Manager, Gamma Telecom discusses 10 things that Channel Partners should know about SIP Trunks.



## 1. SIP doesn't equal SIP

Session Initiation Protocol (SIP) is fast becoming the standard term banded around in the Telecoms Industry for the replacement of traditional TDM services with IP based solutions.

SIP however is not a standard solution in the way that ISDN has been deployed in the UK over the past few years.

SIP is defined in a number of Requests for Comment (RFCs) documents, and suppliers of SIP equipment and SIP Network services may have interpreted and deployed their solutions in a number of different ways.

Summary is that SIP is not a standard, and connecting SIP devices to a SIP Network is not necessarily "Plug and Play".

When looking to connect an IPPBX or SIP Gateway to a SIP service provider you should ensure that the device has been compatibility tested with the Service Providers network and that all service features are fully supported.

## 2. Focus on flexibility – numbers, speed, international

SIP Trunking has a major advantage over ISDN / PSTN connections which is flexibility of numbering. In the traditional network provision the

number that is provided by the Telephony operator is sourced from the local exchange. In IP Telephony services the linkage between numbering and location can be broken. This allows unique cost effective solutions to be delivered to customers that cannot be replicated within an ISDN network for example.

How powerful would it be to provide UK numbers overseas to reduce call costs for internal calls and customers calling the overseas office? Think of the cost savings that can be made on a customer taking their number with them when they relocate their office.

Does the customer need to support numbers from different geographic locations from a single site? What about a Glasgow number hosted from your office in Birmingham.

## 3. Access is key

In order to support SIP access to the customer's site you need to ensure that the IP connection on site can support the number of concurrent calls you require at a consistently good standard of voice quality. To do that, follow these steps:

- Calculate the number of concurrent calls you need to support incoming/outgoing at the site

- Choose the CODEC , the voice encryption that you wish to provide for the service
- Assess the bandwidth that you would require to support the number of calls
- Use an IP connection dedicated for voice
- If using a broadband connection, use a service with a low contention ratio and one that prioritises voice across the network.

Or alternatively, work with a supplier who has the tools and expertise to do this with you!

## 4. Set expectations with customers

SIP Trunking Services are an alternative to ISDN, rather than a like for like replacement. SIP can provide a number of advantages over ISDN, but a key element is that the service must work and work reliable to be used in a Business environment. Therefore the service provided to the customer must be engineered to be reliable with an effective resilience mechanism in the event of a failure. SIP trunking is not simply a cheap alternative to ISDN and should not be positioned as such.

Gamma's market leading SIP Trunking solution, IP Direct Connect has been conformance tested with all the major PBX vendors, some of which are highlighted here:



### 5. Disaster recovery is a “killer application”

SIP Trunking solutions can offer a very flexible set up to provide Disaster Recovery / Business continuity solutions to customers. By creating a SIP account for a customer's PBX the telephone numbers associated with that account are now hosted with the SIP providers' network.

In the event of a Disaster, rendering the site inaccessible, the account can be utilized in another PBX on another site and connected via an IP connection the service can instantaneously be recreated. Alternatively the PBX itself could be moved to another site any where there is an IP connection and service can automatically be restored. There is no need to re-provision the network service and there are no additional network charges or remote call forwarding to pay!

### 6. Make sure you have the full product (service/router/hardware)

In taking SIP Trunking solutions to market you should ensure that the whole package is fully tested, documented and can be provisioned and supported. The full supported service package should include the following:

- The IPPBX or SIP Gateway that will be installed on the customers site
- The router that will be utilised to connect to the IP Network Provider
- The IP Network , or Internet Service Provider that will utilised to support the voice connections
- The SIP Trunking Service Provider

All elements of the overall solution must be compatible, and for the complete service you can provide effective support for the installation and ongoing fault management. The end customer is buying a complete solution, not a collection of parts.

### 7. Ensure SP and OEM are “joined up”

The relationship between the SIP provider and the SIP equipment manufacturer is vital to ensure a consistent quality of service. As well as the CPE devices being tested with the SIP providers network , you should examine the relationship that they have , are they working together at a Marketing , Product , Technical and Sales level to ensure that you can get the maximum support on new features and any ongoing support issues. You do not want to be a “ping pong ball” between these two parties some check that they are working together effectively.

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## SIP Trunking – Your Questions Answered continued

### 8. Don't sell on price

SIP Trunking is not about cheap channels and minutes. Cost savings can be made in implementing a SIP trunk connection, especially if deployed across multiple sites, where site to site calling cost reductions can apply. But the main benefits of deploying SIP trunking are not price, but rather the following:

- Number portability - allowing customers to relocate their office and keep their number
- Number flexibility - supporting DR plans for customers at a fraction of existing ISDN costs
- Ease of System expansion - an additional number of SIP channels can be added to a site at the fraction of the cost and time that deploying ISDN would entail
- Site Resilience - by adding a SIP trunk connection at a customer's site and retaining ISDN, the availability of the voice service at the site can be enhanced without the need for major infrastructure to the site.

### 9. Supplier scale is key – 999, BT, voice pedigree

A SIP trunking service is a Business Connectivity service and like any connection to the PSTN it must provide a highly available and reliable service that will scale as SIP trunking moves from this initial market deployment stage to the mainstream connectivity mechanism within the UK.

In addition to service reliability and scalability, the SIP provider should also provide the basics of a telephony service:

- Emergency Services Calling Support
- Directory Enquiries support
- Online number management and access to CDRs

When choosing a SIP Provider you should ensure that the provider can support all these requirements both today and in the future as the services scale and become more complex.

### 10. Choose a service version that fits your skills and expertise

There is no one way to provide SIP services to the Telecoms Provider Channel. Some providers will wish to deliver the solution utilizing their own IP infrastructure or via their preferred ISP partner, whereas others would like a package that provides and manages the complete solution to the customer premises, leaving them to focus on the support of the PBX. There is no one correct model in delivering the SIP trunk solution to a customer, the essential element is that the complete end to end solution can be supported. Choose a SIP provider that suits your required delivery model.

## USEFUL CONTACTS

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