

Who am I?



- Ian Cleary
- Joined Level 3 in June 2010
- Telecom since 1996 – 17 years
- Internet since 1998 – 15 years
- Carrier since 1999 – 14 years
- Career history encompasses; Sales, Product, Business Development
- I am a carrier Internet guy... and I can fix your VW

What will we investigate today?

- Challenges in the peering paradigm
- Possible paths forward
- Bringing together AS3356 and AS3549



Challenges to the peering world we all love



- Packet flow ratio as a measurement of value contribution
- Legislation
- Commercially-focused IX resorts
- IP Transit in long-term decline?

Challenges of the transit market

- Market price is compressing still at 20%+ per year
- Eyeball networks are consolidating
- Content networks are still exploding
- Big content networks are investing in infrastructure, but cannot get into the “tier-1 club”
- **Market opportunity for transit providers is content network customers**



We think that the answer is not *one* thing



- We need to change the value contribution model for settlement-free peering
 - <http://www.level3.com/en/legal/ip-traffic-exchange-policy/>
- Transit providers need to help ISP networks overcome the challenge inherent in the ISP “all you can eat” model
 - <http://www.level3.com/en/solutions/industry/wholesale/cable-operators/>



Possible paths forward

What and why?

■ What

- Internet Localization is a unique proposition
- Internet transit **and** CDN infrastructure deployment in the ISP network
- 4U (2Gbps) or Full-rack (7Gbps) appliance sizes

■ Why

- Minimise the cost of traffic exchange
- Minimise bit-mile-burden in the ISP network
- Maximise performance for end-users
- Maximise revenue opportunity by reselling CDN suite of services



There he is, he's in the room...



- 36 month term
- Full routes AS3356 transit with SLA
- 10GbE port + 2Gbps from appliance = 12Gbps
- €Competitive Monthly charge
- €Competitive Get connected fee
- Save backbone bit-miles
- Launch your own CDN proposition and generate €s



AS migrations

AS integration

- Our networks
 - AS3356 – fast switched Ethernet core
 - AS3549 – MPLS core
- Our strategy
 - Focus AS3356 on Internet services
 - Focus AS3549 on private services
 - Migrate Internet customers to AS3356
- Our timeline
 - Top traffic and complex customers during 2013
 - Work with customer needs





Thank you.

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