Ascend



Carrier Opportunities With The New Public Network





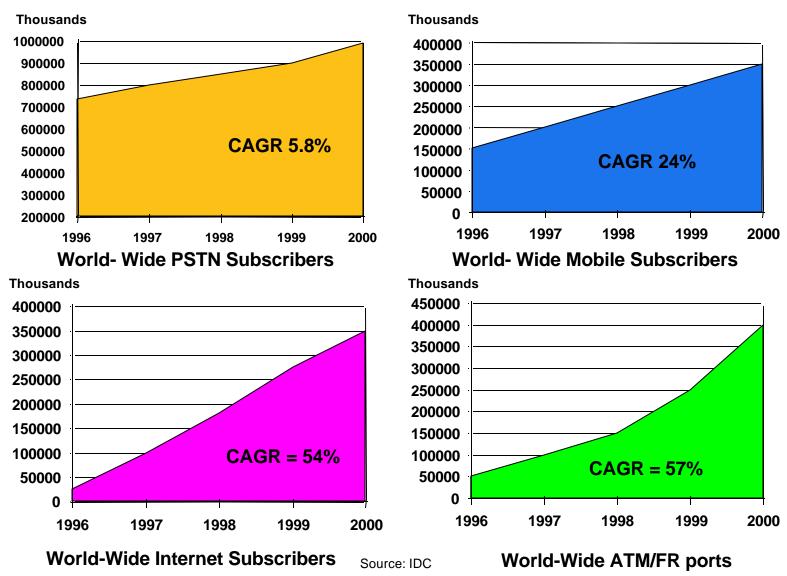
Ascend's Carrier Mission

Bringing Internet Innovation to Carrier Class Solutions In Order To Build The New Public Network





Telecommunications Growth Rates





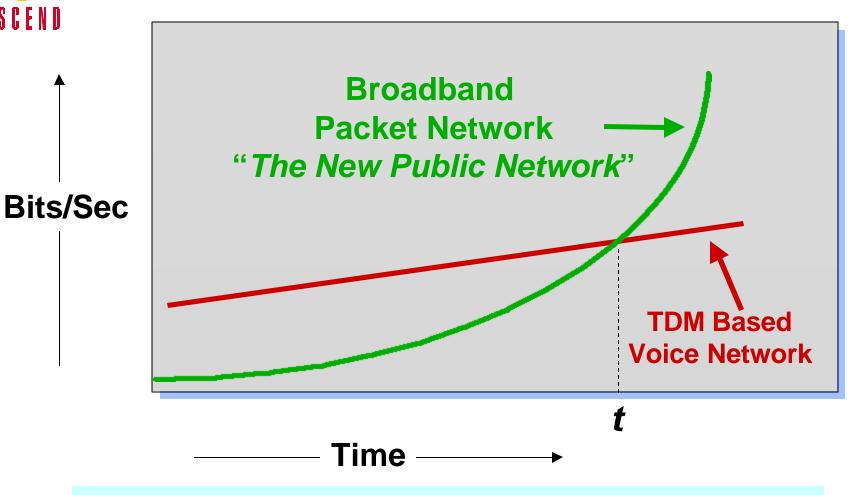
Global Data Networking Is Exploding

- Data networks are now a key Service for providers
- Private Networks cannot economically deliver:
 - the reach
 - the connection breadth
 - the bandwidth
- Companies will look to Service Providers to deliver network infrastructure and services
 - Standards-based
 - Ubiquitous -- global and seamless
 - Highly reliable
 - Secure
 - Leading edge to accommodate new applications
 - Economically priced





Data Traffic Will Soon Overtake Voice



Cerf's prediction for t: Data Traffic will overtake Voice traffic in MCI network before 2000





Traditional Carrier Networks

Right of Way & Spectrum License

Copper, Fiber, Cable, Satellite & Wireless

Voice Switches, DACs, TDM Mux, SDH ADM

Today's Packet Network





Today's Carrier Networks

Right of Way & Spectrum License

Copper, Fiber, Cable, Satellite & Wireless

Voice Switches, DACs, TDM Mux, SDH ADM

Today's Packet Network





The Future - New Public Network

Right of Way & Spectrum License

Copper, Fiber, Cable, Satellite & Wireless

Voice & multimedia Services

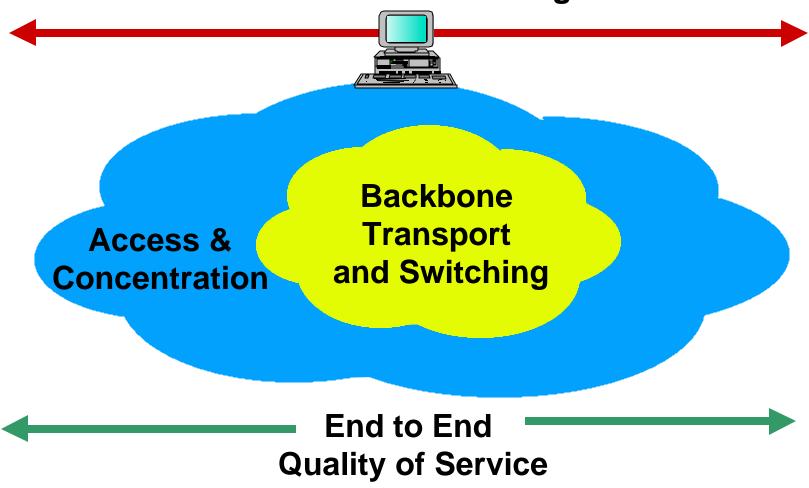
Today's Packet Network





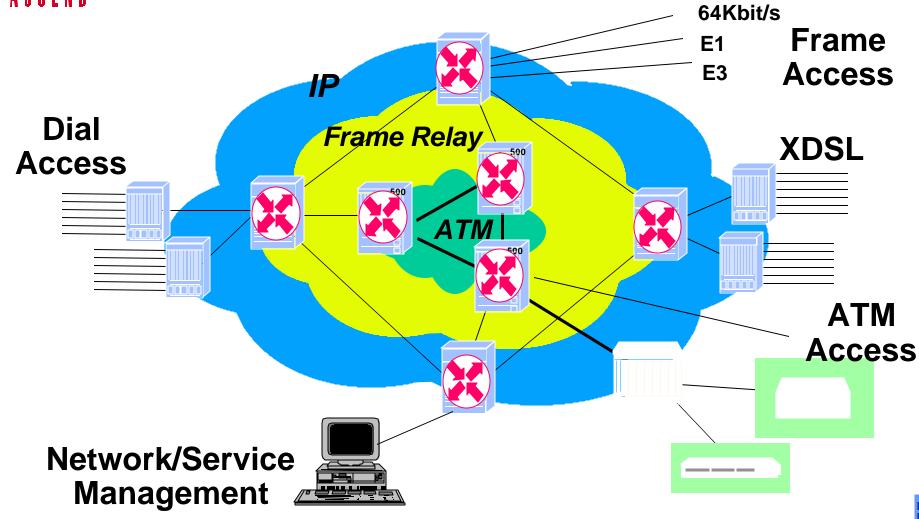
Components Of The New Public Network

End to End Service Management





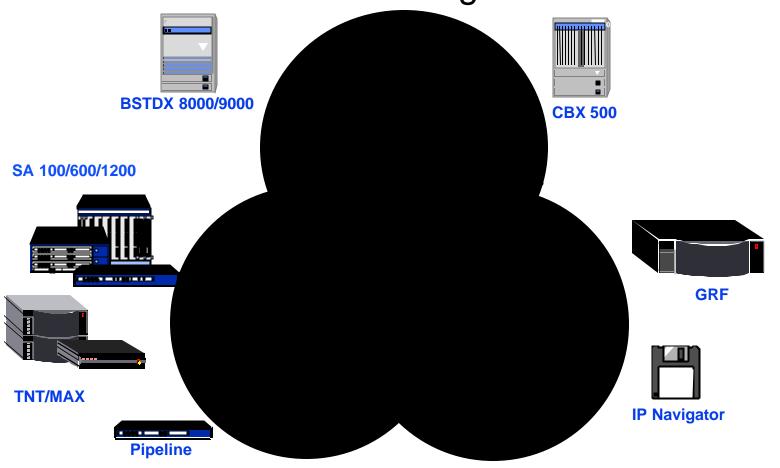
The New Public Network Infrastructure





Characteristics Of The New Public Network

Service Management



End-to-end QoS Management





The Network Is The Business

Generate More Revenue

- > Create value
- > Enable new types of services
- > Reduce time to market

Maximize Yield

- Derive multiple revenue streams from single infrastructure
- > Implement multi-tier pricing for "Class-of-Service"
- > Optimize allocation of expensive resources

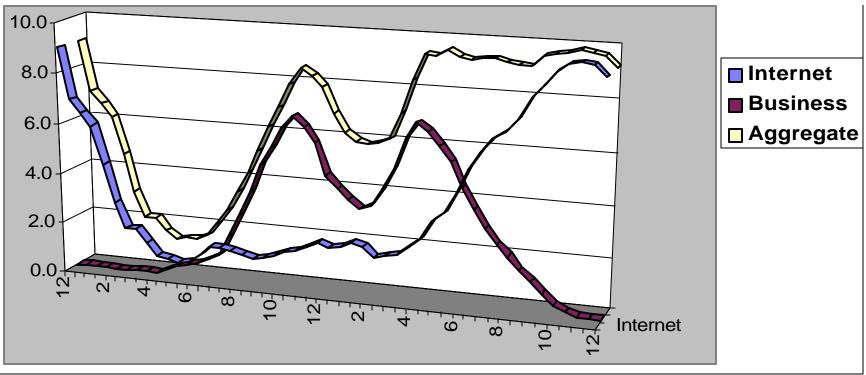
Control Costs

- Design scalable and interoperable networks
- > Avoid technology dead-ends
- > Manage and operate the network optimally





Maximize Network Yield



- Resell the same network for different applications
- Business traffic profile differ to general Internet profile
- Network engineered for evening peak Internet demand so reuse capacity during the day for Intranet and Extranets



Revenue Potentia

Selling "Class of Service"

Banking Applications

Corporate VPN

Consumer Internet

Increasing Throughput and Better Quality of Service

| <u>Phone Number</u> | <u>Customer</u> | Price | InDial | Authentication | WAN QoS |
|---------------------|-----------------|--------------|---------------|-----------------------|-----------|
| 262 1000 | Bank | High | 5:1 | Encryption | CIR = 64K |
| 262 1050 | Corporate | Medium | 10:1 | Token Based | CIR = 16K |
| 262 1100 | ISP | Low | 40:1 | Downstream | CIR=0 |

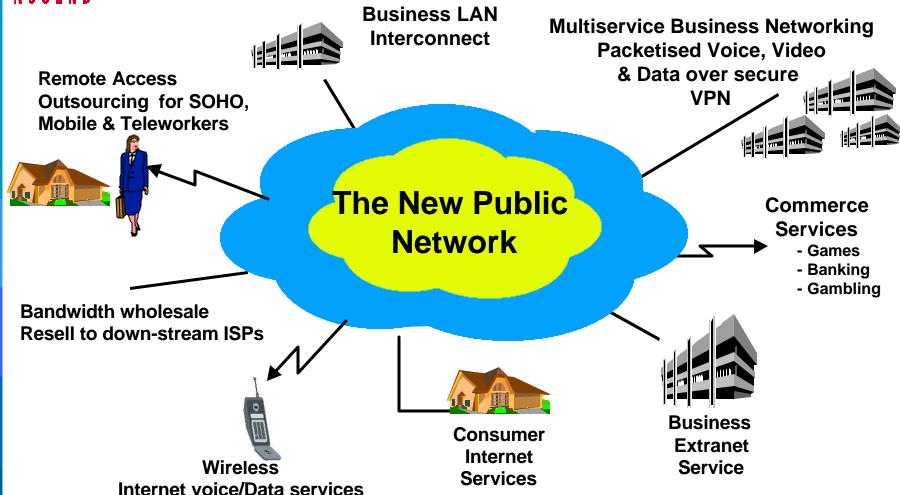
Quality of Service can be provided within both the dial and core network, for example :

Probability of getting a modem in a modem pool Commitment to backbone bandwidth and Priority



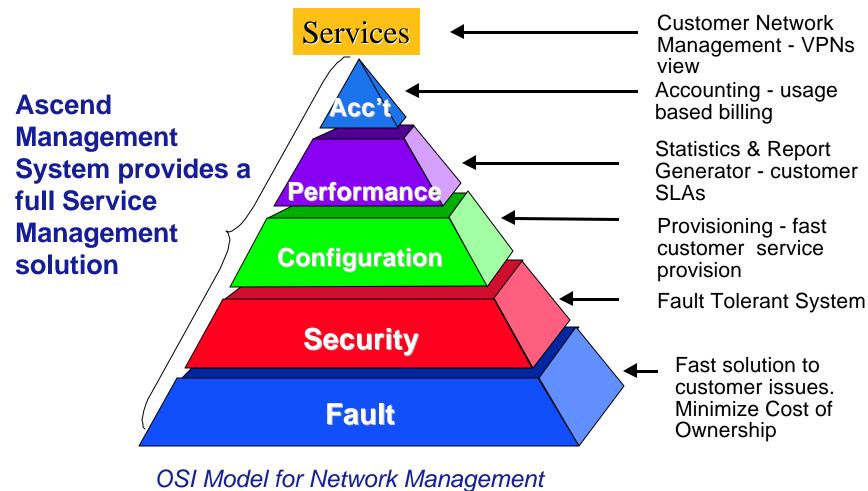


Multiple Services On One Network Infrastructure



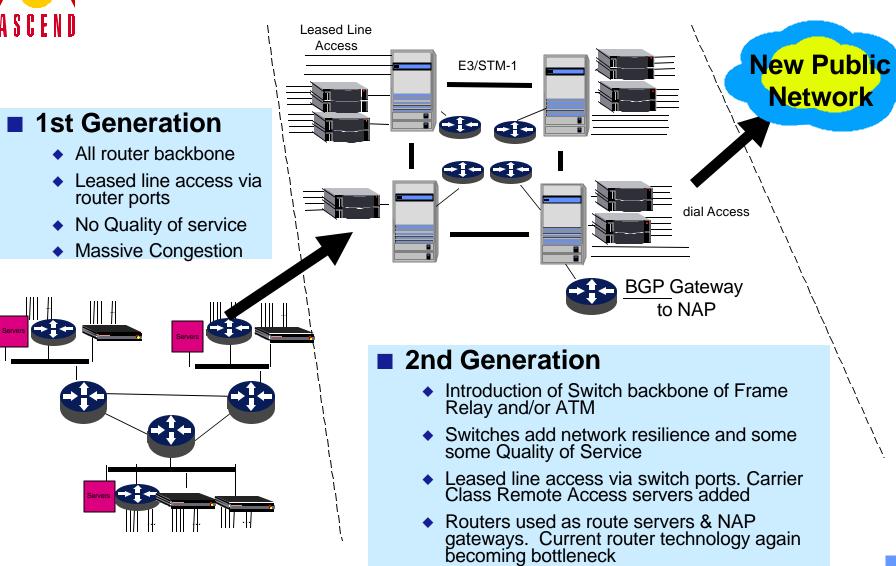


Service Management Function





Evolution To The New Public Network





Today's Issues Facing Internet Services

Scalability of Access and Backbone

- Backbone capacity & routing table size
- Port densities
- Access rates
- Network and Service Reliability (Carrier Class with QoS)

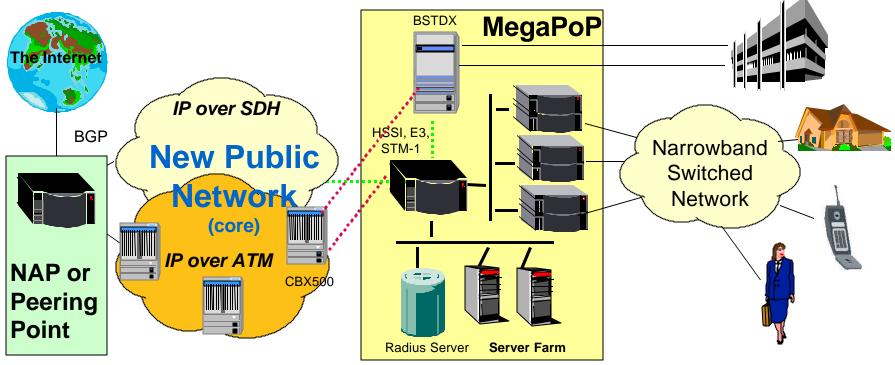
Adding New Services & Applications

- Virtual Private Networks
- Outsourced Intranets/Extranets
- Mobile Internet Users
- Voice/Video over the Internet





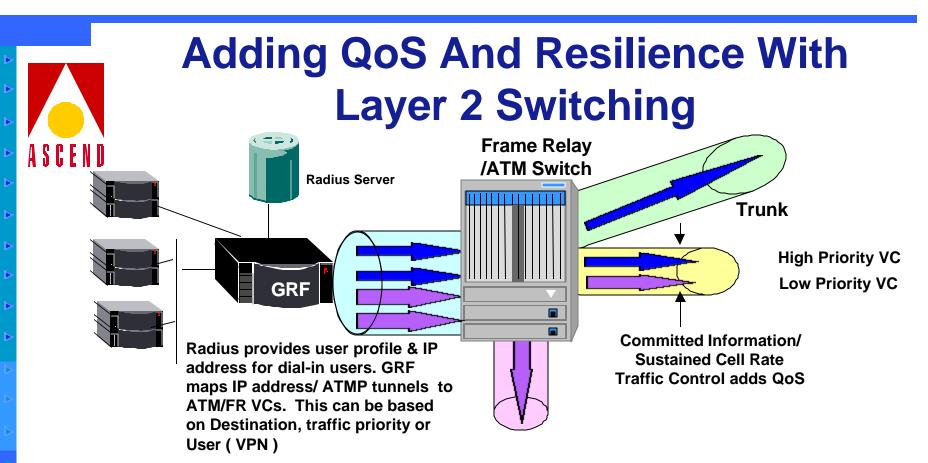
High Capacity Internet Backbone & Access Over The New Public Network



Internet Backbone Provides

- High capacity Access Servers provide thousands of dial/ISDN ports
- High speed leased line access via Frame Relay switches
- High speed IP switching via Gigabit Router
- Wide Area transmission with Packet over SDH or ATM at STM1/STM4
- Local cashing of Web Pages



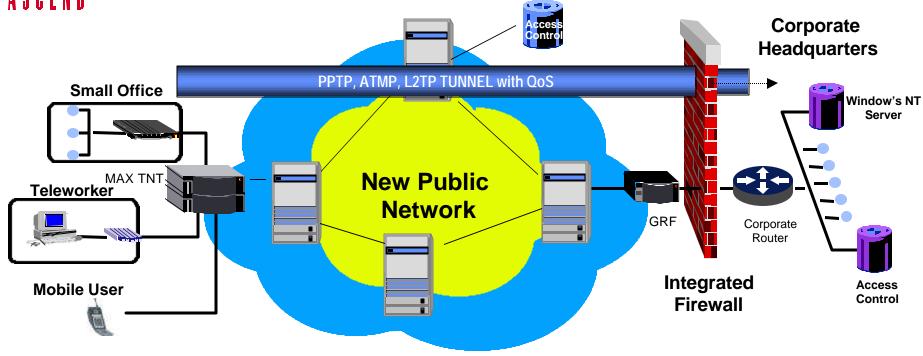


- Both ATM and Frame Relay provide connection-oriented network service that manages bandwidth
- Both can support a variety of Quality of Service parameters
- Network cut-through achieved using direct Virtual connections between routing points.
- Customer QoS objective maintained at minimal bandwidth cost





Virtual Private Network Access



VPN Provides

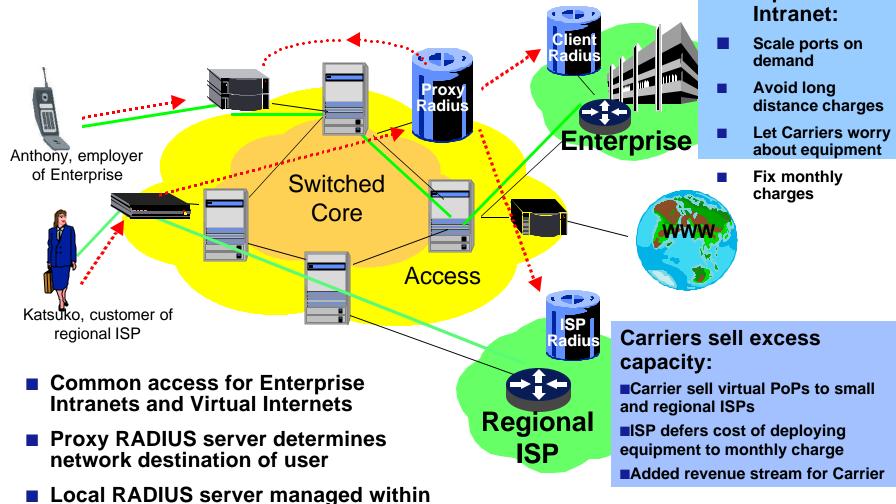
- Secure connections from users to corporate network with Quality of Service
- Require security options based on user authentication (radius) and Firewalls
- Tunnelling used not routing
 - Use standards as defined : PPTP, ATMP, L2TP
- Offers Virtual Private Intranets off a common infrastructure as public Internet.





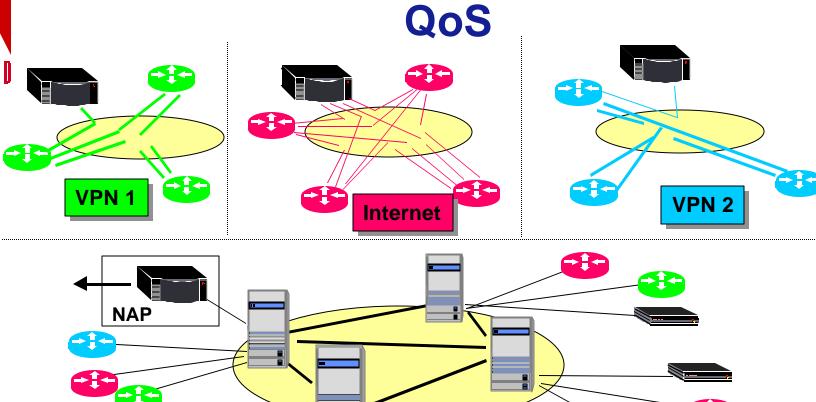
client network

Virtual Private Intranets and Extranets



Enterprise

Virtual Connections Provide VPN With



Level 2 Virtual Connections used to segment general Internet traffic from corporate Intranets Overlay networks

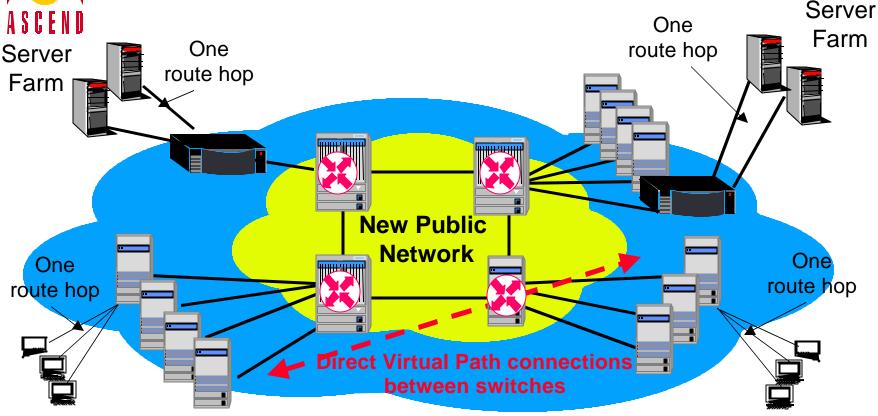
Physical Network

- All routers are now only one hop apart (lower latency) and Level 2 connections add provide Quality of Service commitments
- Number of VC's can become large as number of PoPs increases introducing long-term scalability issues.





Adding IP Intelligence to Switching



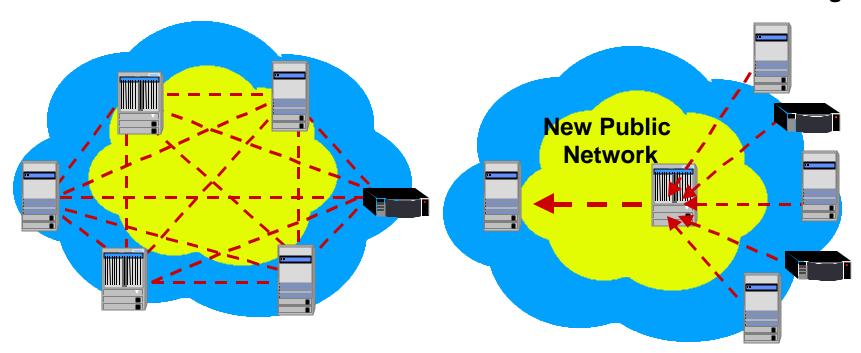
- IP intelligence added to Frame Relay and ATM interfaces on switches. Traffic now routed directly to destination without need to pass through backbone "one arm bandit" routers.
- Scalability for network size, route tables and Virtual connections
- Performance distributed IP switching with ATM core
- Business Class applications with End-to-End QoS



Solving the Scalability Problem

Traditional Switched Backbone

Ascend's Virtual Network Navigator



Pre-established connections infeasible due to resultant explosion of required connection paths (N²)

Ascend's patented "MPT" technology solves the N² scaling problem, for virtually unlimited scalability



Open and Scaleable Architecture Server Farm Standard OSPF/RIP Standard **New Public** Marrowband **Network Network Switched Standard** Network **BGP Ipsilon MLSP NHRP IFMP** LAN

MPOA

switch

RSVP

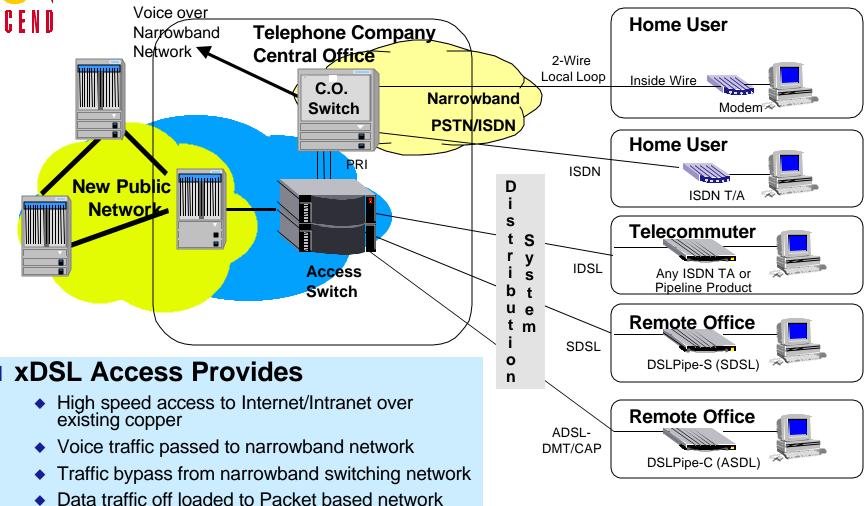
Peer

Routed

RSVP



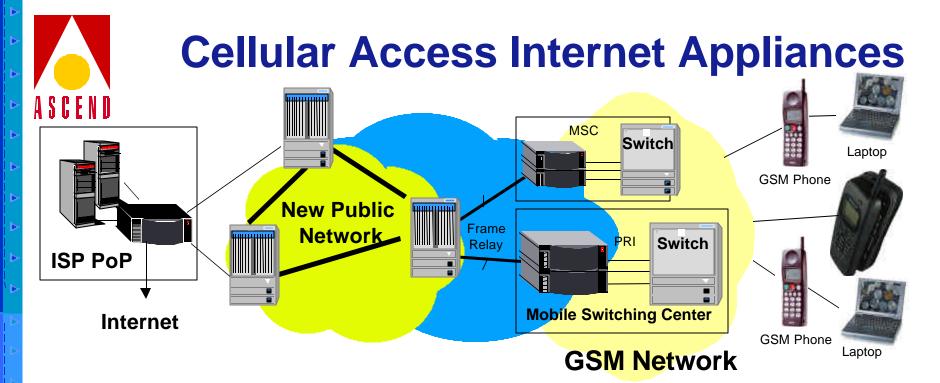
MultiDSL - Very High Speed Access To The New Public Network



Common infrastructure with existing PSTN and

ISDN remote access.



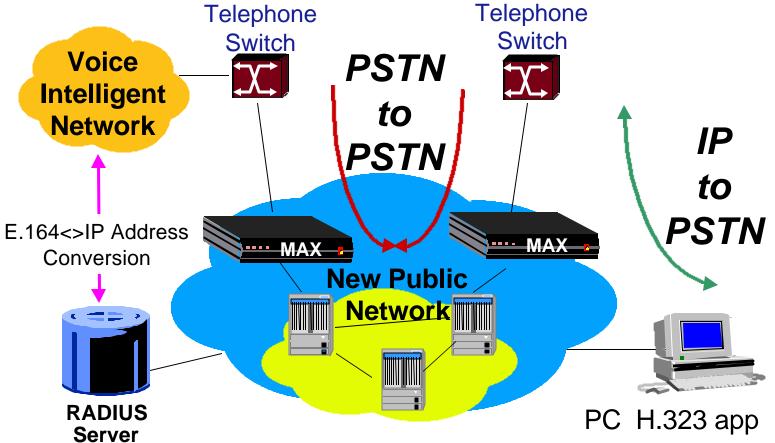


Ascend GSM data access

- Significant growth in GSM coverage, portage computers and new mobile communicators.
- New applications such as digital camera download, electronic checkbooks and Internet Walkmans.
- Now a major source of usage revenue for providers
- Ascend MAX supports necessary rate adaptation standards to enable mobile data (V.110)
- New Public Network allows data traffic to be off loaded from GSM voice network. More
 efficient transport by packet network.
- New public Network can also be used to transport Management and account information for the GSM MSC network

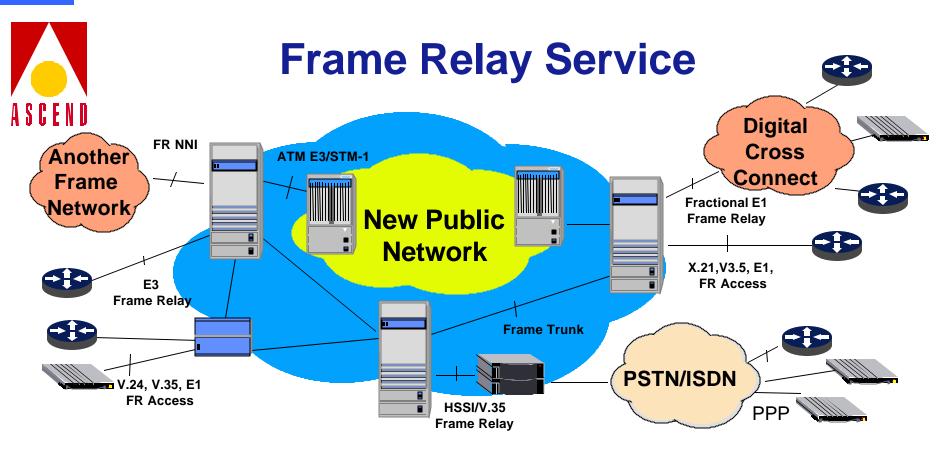


Voice Over IP - H.323 Encapsulation



Implications of Internet Voice

- Significant interest by end users in application, traditional carriers ignore at their own peril
- Quality of voice improving consistently, many aggressive ISPs have plans to launch service
- Critical service launch issue is integration of connection control in PSTN and VolP

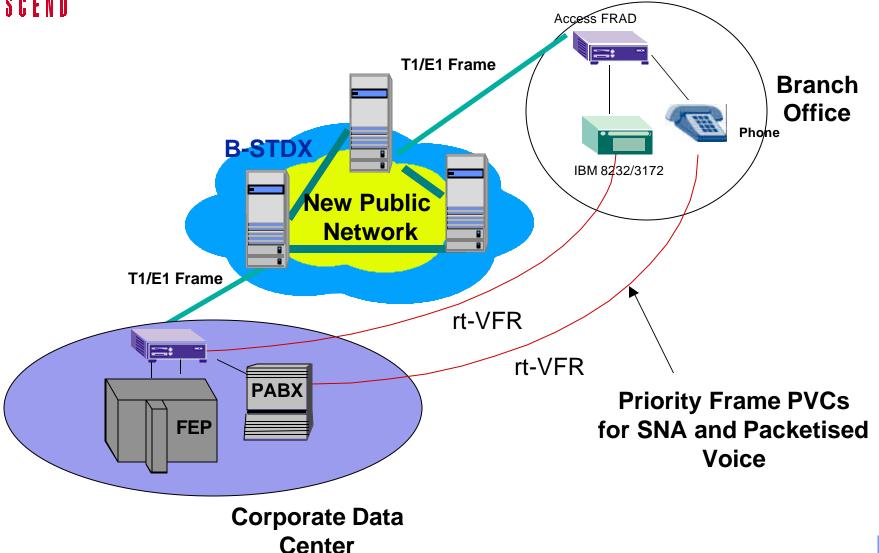


Frame Relay Implementation

- Efficient method of Wide Area communications for LAN to LAN data
- New applications such as SNA and Voice support possible with QoS controls
- Today's networks must be scalable for high port speeds and densities
- Frame Relay and ATM complementary technologies and require interworking
- Frame Relay networks require Dynamic Routing & Rerouting of PVCs of SVCs
- Value features such as Fault Tolerant PVCs, Multicast, and Customer Network Management

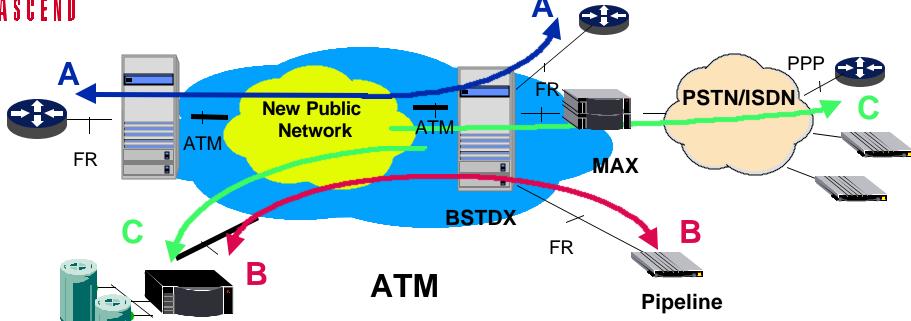


Priority Frame - Value-Added SNA and Voice Services





FR/ATM Service Interworking



- A FRF.5 (FR UNI to FR UNI)
- B FRF.8 (FR UNI to ATM UNI)
- C FRF.8 (PPP to FR UNI to ATM UNI)

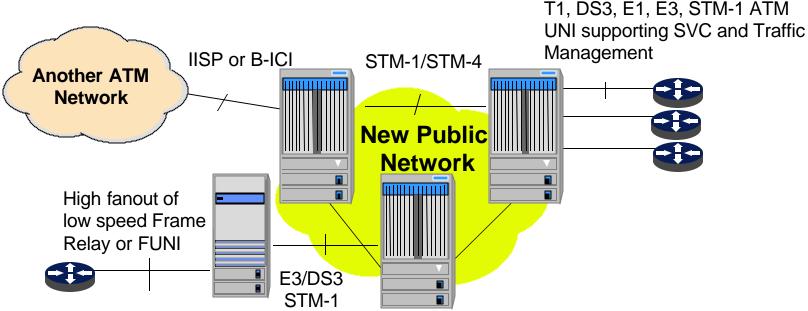
GRF

Service Interworking

- Operational in over 30 networks world-wide
- Full support for FRF.5 and 8
- Traffic parameters mapped automatically according to B-ICI specifications
- RFC 1490 to RFC 1483 Interworking
- FRF.5 used to scale Frame Relay networks
- FRF.8 useful in connecting branch/remote offices to ATM connected headoffices.



Carrier ATM Service



ATM Implementation

- High Speed Wide Area communications for LAN to LAN data
- ATM promises a common transmission method for voice video and data traffic
- Controllable quality of service with statistical bandwidth on demand
- Product ATM networks must be scalable for high port speeds and densities
- ATM and Frame Relay are complementary technologies and require interworking
- ATM networks require Dynamic Routing & Rerouting of PVCs of SVCs
- Value features such as Fault Tolerant PVCs, Multicast, and Customer Network Management



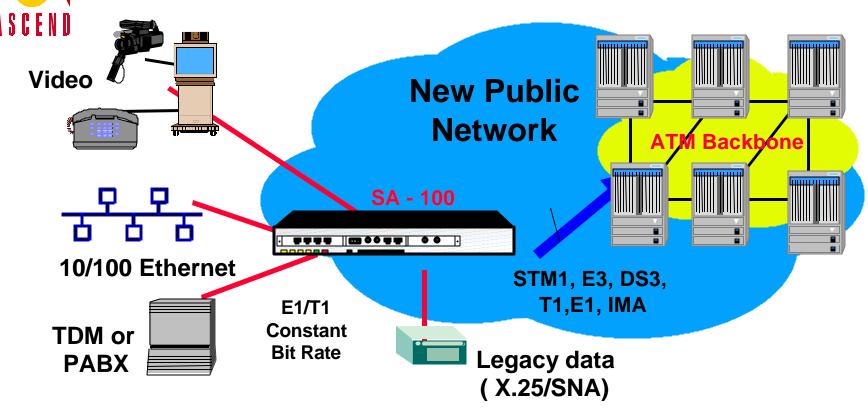
Native ATM Services

- Demand is growing rapidly
- Relative complexity of ATM may cause end-user confusion, stalling acceptance
 - ◆ CBR, rt-VBR, nrt-VBR, ABR, or UBR??
 - ◆ PCR, SCR, MBS, BT??
 - ◆ CDV, CDVT, CLR??
 - Traffic shaping?? Policing??
 - What is best for my applications?





Integrated Business Solutions over the New Public Network



■ ATM Service Multiplexer Implementation

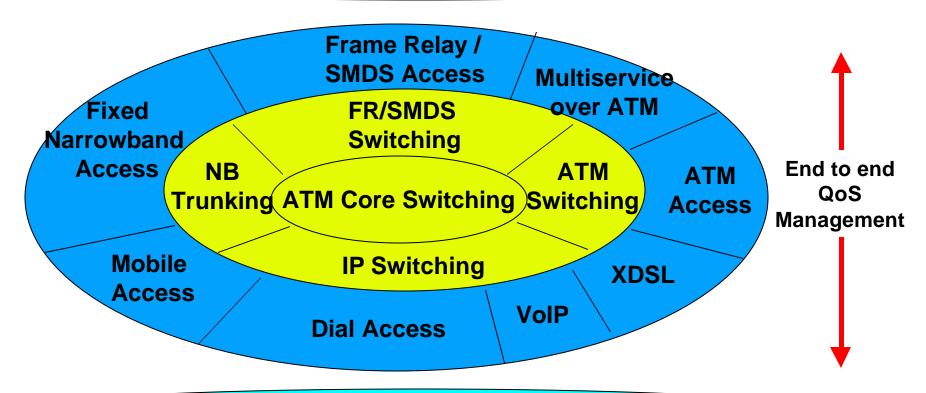
- Hide ATM complexity whilst deploying Integrated Business solution over ATM
- Lower overall delivery cost for a package of services extend NPN to the customer premise
- Fulfil ATM promise of a common transmission method for voice video and data traffic
- Controllable quality of service with statistical bandwidth on demand



Total New Public Network Carrier Solution

Operational Support Systems

Network Management



PDH/SDH/fiber/Copper transport



Summary

- Broadband networks offer Service providers opportunities for additional revenue generating services and reduction in operating costs.
- Ascend Communications offers a comprehensive solution for delivery of advanced multi-service networking.
- Ascend has a clear vision and an evolution path to the New Public Network