

SIP now packing the trunks

By Carol Wilson

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Newer services that offer session initiation protocol trunking are taking hold in the marketplace this year, even as service providers continue to deal with the reality of non-standard SIP.

For some competitive carriers, SIP trunking may even be viewed as a major new opportunity.

"We have been selling SIP trunks for about nine months, and starting about six months ago, it really started to pick up," said Henry Kaestner, co-founder and CEO of Bandwidth.com, a Raleigh, N.C.-based competitive services provider. His company teamed with Mitel to bundle SIP trunks with IP-PBX hardware, targeting small and medium-sized businesses (SMBs).

"The SMB marketplace and the channel that supports them have really embraced SIP trunking because it will save them money," Kaestner said. "They would rather spend \$10,000 on [an IP-PBX] upfront and some SIP trunks that they can oversubscribe, rather than spend \$40 per employee every month for all-you-can-eat local and long-distance service."

SIP trunking typically allows businesses that have IP-PBXs to combine their voice and data services onto a SIP-based trunk rather than use primary rate interface (PRI), T-1 or other types of TDM links. Some service providers are offering IP trunking to connect TDM-based PBXs or key systems to a SIP backbone, using an on-premises device to convert TDM voice to IP.

For example, AT&T's IP Trunking service, launched pre-merger, is focused on the large base of TDM PBXs and uses an on-premises gateway to convert that traffic to IP, where it either stays on-net on AT&T's MPLS backbone or is reconverted to TDM for termination, said Brian Buffington, executive director of marketing for business voice-over-IP services at AT&T.

"We have seen a lot of interest in small to mid-sized customers," he said. "They typically would have been purchasing a PRI or multiple access lines and a data connection, so this lets them converge their traffic onto a single line. Competition and technology are driving us in this direction — customers have excess bandwidth on their data networks, and they want to see how they can use it. This also allows us to provide local telephony services in areas that weren't our traditional stomping ground."

Verizon's SIP trunking service is aimed at larger businesses that already have invested in an IP-PBX and want a true IP connection. Its service also eliminates the need for multiple PRIs but reduces hardware as well, ending the need for a gateway device at the customer prem. Customer benefits include bandwidth reduction through voice compression and greater usage efficiencies, said Lorena McCalister, director of product marketing for VoIP at Verizon.

"They get dynamic bandwidth allocation so they can leverage the data capacity they have and use it more efficiently and effectively across voice and data requirements," she said.

The catch is that the lack of mature SIP standards. Today, Verizon supports Cisco Systems and Avaya PBXs and expects to add Alcatel by year's end. But each vendor is added separately, as Verizon copes with its SIP variations.

The lack of SIP standards is holding Sprint back as well. Joel Whitaker, product marketing manager for its IP VoiceConnect service, said the company has done a few custom SIP trunking deals for IP-PBX customers but isn't yet offering the service commercially. It will launch an Integrated Trunking service for TDM-based PBXs by the first quarter of next year.

"Actually providing a SIP trunking service is extremely complicated," said Tom Kershaw, vice president of VoIP for VeriSign, which provides an integrated solution for service providers that addresses local area network handoffs for SIP trunking. Not only do different versions of SIP vary, but some IP-PBXs are H.323-based, he said. "There's a lot of hype around this now, but the market is still a ways off."