

## PRIVATE NETWORKS

## Minnows awaken the sleeping giant in VoIP pool

Telstra is taking to the net,  
Chris Jenkins reports

As prices for home broadband internet connections continue to slide, internet players, big and small, are racing to sell their customers something different, if not exactly new.

What they are offering is cheap and, in some cases free, phone calls, but rather than use the usual phone network — one which Telstra has a stranglehold on — companies are offering to send phone calls over private networks or internet connections, using technology known as voice over internet protocol, or VoIP.

Corporate Australia has already begun

switching to VoIP, as it allows data networks to do double duty and carry phone calls as well.

With many companies also owning their own connections between offices, it also allows them to bypass phone companies.

Leapfrogging phone companies, especially Telstra, is also at the heart of VoIP for home users. Some services offer free on-net calls on their own network. Even more, considerably, because the internet or a private network is carrying the traffic rather than the public phone network, they also offer extremely cheap long-distance and international calls.

One of the latest entrants is Broadband Phone, which will launch its DEX handset and service offer this week. Broadband Phone will offer free on-net calls and cheap international

calls of \$15.95 monthly. As the name suggests, the service requires a broadband internet connection to operate.

While a handset will cost \$249, it can be swapped to a broadband connection anywhere in the world without changing the number, company director Miranda Wong says.

Like many others, Broadband Phone is hoping to replicate the success of US internet phone service Vonage, which is signing about 10,000 new customers monthly.

Broadband Phone works with a minimum 256Kbps DSL or cable internet service, but 512Kbps is recommended. "At the moment we're in the education and awareness phase," Wong says. In contrast to Broadband Phone, Neighborhood Cable has been selling a

residential VoIP service in regional Victoria for almost 12 months, claiming to be the first in Australia.

Cutaways in Spidey, Melbourne and Brisbane allow customers 30c or 40c unlimited calls to those destinations, chief executive Paul Grossman says.

National internet service provider Pirrama has also flagged consumer voice over IP plans, with its Lingo service, already deployed in the US and Canada, under trial in 20 locations locally.

Pirrama says it will launch Lingo in Australia within six months. While smaller players scramble to bypass them, the giants are awakening, with Telstra announcing this week it will have its own service in place for home customers next year.