



# VONAGE

THE BROADBAND PHONE COMPANY®

**Kerry Ritz**  
**Managing Director**  
**Vonage UK**

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**6 October 2005**

# Timeline

2001

2002

2003

2004

2005

- Research and Development
- Market Testing
- Product Launch in U.S.

- National Retail Launch in U.S.
- Global Expansion starts with Canada

- UK Launch
- Continuing Global Expansion
- Broadband Phone Launch
- Wi-Fi Phone Launch
- Videophone Trials

**VONAGE**  
THE BROADBAND PHONE COMPANY™

# Not a Traditional Phone Company

**"PRAISE THE LOWERED!  
UNLIMITED CALLS TO UK LANDLINES  
FOR ONLY £9.99 A MONTH."**

**GOT BROADBAND? GET CHEAP CALLS**

Break the tyranny of expensive phone bills with Vonage.  
We use your existing broadband connection, instead of a standard phone line, to give you unlimited\* calls to landlines in the UK and Eire for only £9.99 a month. Hallelujah!

We'll also give you cheap calls to mobiles, very competitive international rates and a whole host of services that mere mortal phone companies can only dream of.

**NO ANNUAL CONTRACTS**

Free yourself from slavery and try it on a monthly basis. We won't damn you to the eternity of a long-term contract.

**FREE FEATURES**

Mercy! Unlike many other providers, you'll get a choir of free services, including access to voicemail as email, caller display, call waiting and one number for life – even if you move home.

**INSTANT CONVERSION**

We'll send you a FREE Vonage telephone adapter.  
You plug it in and immediately reap the rewards.

**UNLIMITED VONAGE TO VONAGE CALLS**

Love thy brother. You can talk to other Vonage customers for as long as you like, without paying any extra. Even if they are in the USA or Canada.

**A WORLD FAITH**

Vonage has been a runaway success in the USA, with over 800,000 devotees. We're now spreading the love.. worldwide.

REV. EMMANUEL P. VONAGE  
TELEVONGELIST

**SAVE YOURSELF! SIGN UP NOW, CALL  
0800 804 8995  
VONAGE.CO.UK**

**VONAGE®**

CHANGING THE WORLD ONE NUMBER AT A TIME

- **Simplicity**
- **Value for Money**
- **Transparency**
- **Usability**
- **Portability – take your number with you**
- **Customer in Control**



## Residential Unlimited Plan

£9.99/month

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## Small Business Unlimited Plan

£18.99/month (includes free fax line)

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## Simplified Low Mobile Rates

- **Day:** 15p
- **Evenings:** 10p
- **Weekends:** 5p

- Launched January 2005
- Calls to Ireland are included in the UK plans
- 275 dialing codes, increasing to 600+ by end 2005
- Bundled pricing; no minimums, no connection charges
- Simplified, low UK mobile rates that are operator agnostic
- Vonage customers have access to international geographic numbers in the US, Canada and Mexico

# Vonage is a Replacement Phone Service

## Key Elements

- Call origination and termination
- Access to emergency services
- Special measures for end users with disabilities (eg. text relay)
- Access to operator assistance service
- Access to directory enquiries
- Itemised billing in REAL TIME
- CLI
- Non itemisation of telephone help line numbers (Freephone)
- Call barring of premium numbers
- Touchtone keypad functionality
- + more**

# Old vs. New

## The Old

Traditional PSTN

- Traditional vertical network supply chain
- Access providers interconnect on a vertical basis with network operators
- Services tied or restricted to a particular network infrastructure
- Everything is fixed or linked to a specific geographic location

## The New

Everything is data

- Separation of application layer from physical layer
- Voice is just another application: like email
- Access agnostic
- Numbers are just a convenient way of cataloguing

**The new world is no longer based on some concept of fixed location:**

***When is a fixed network mobile and when is a mobile network fixed?***

# Network Integrity

## What is reasonable and practical?

- Ownership of the underlying network not a prerequisite for ensuring network integrity
- Not all VoIP providers are created equal
- Control over the parts over which one has control

## What makes a network reliable?

- Direct relationships (supported by SLA) with Tier 1 Carriers
- Multiple, independent gateways
- Multiple and independent routing capabilities
- Access to sufficient bandwidth to support peak traffic volumes
- Control over customer premises equipment

# Case Study: Hurricane Katrina

## Phone Networks failed, wireless networks failed, satellite phones stopped working, BUT

- The Internet was alive in some places, and so was Internet phone service
- President George W Bush made the first call to the Mayor of New Orleans on a Vonage line
- Vonage service was able to exist because of the redundant and resilient nature of the Internet

Important to emphasise importance of **NOT** favouring one facility, provider or technology over another

Important to create a climate that fosters deployment of **ALL** technologies

Policy makers and officials will never know which facilities will be available in a crisis. Redundant infrastructure improves the chances that **SOMETHING** will work



# Role of Regulation

- Existing laws are technology neutral, but only if that technology is circuit switched
- Regulators should be happy with the competition in the application layer
- Lots of energy expended on carrier pre-selection, number portability, unbundling, significant market power
- Regulation should concentrate on
  - consumer protection
  - preventing bottlenecks
  - equality of access
  - universal service (needs to be redefined to broadband)
  - emergency services and
  - lawful intercept.

**Promotion of competition in an open market allowing free movements of ALL goods and services**

# Cool to Have Concerns



**The communications world is changing quickly:  
new concepts, new players**

**If we focused on all the concerns raised we would  
have no railways, no cars, no airplanes, no Internet,  
no mobile phones**

**Aim is to craft a light and thoughtful regulatory  
environment around fundamental principles**

- Right to connect any device to any network
- Right to access anything legal on the internet
- Right to privacy
- Right to quality of service guidelines



concerns

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