

Hibernia's XO deal builds bigger footprint

Hibernia Atlantic and XO Communications unveiled a mutual carriage deal last month, giving the transatlantic operator access to a broader US long-haul footprint. "The deal is twofold. They're buying transatlantic service into Europe from us for their IP backbone. It's just as simple as we extend footprint with these guys," Hibernia sales head Eric Gutshall told CommsDay.

"These guys are one of our first groups of carriers we give a look-in to for all of our off-net deals. So if we have a deal going from Chicago to Denver or Chicago to the West Coast, or even down to Dallas, that's 2.5G to 10G off our backbone or GigE, we would look to XO."

"That's exactly what it is. It's nothing more in depth than that. It's been a great working relationship for the last two years. It just so happens they're buying transatlantic assets from us, and likewise from them we look to be a metro and long-haul provider where we are not."

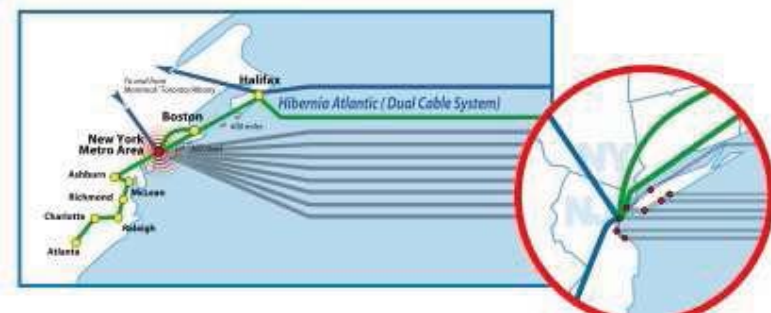
Gutshall said leveraging carrier partners to expand regionally made cost sense. "They're built into a place and they give a very competitive rate to get into a location. It does work from a collaborative effort as well. Sometimes clients come into the building with a certain carrier, as opposed to coming in with the resale of another. It makes sense to use them; they're a strong ally in the sense they can turn up capacity quickly. It gives us a wider stretch of locations that we can get to," he explained.

"It's a nationwide footprint, anywhere from really fast DS3 to 10G. Anything outside the 64 PoPs we have in America, we would look to use these folks."

That increased US demand has been driven in part by financial and media markets as Hibernia pushes beyond its wholesale core in response to recessionary pressures. "We've weathered the storm by getting into different markets, not just selling wholesale for folks who are buying IP," Gutshall said, noting part of the recent US presidential State of the Union speech was carried on the Hibernia backbone.

FINANCIAL LURE: The lure of the financial vertical recently spurred Hibernia to augment its traditional transatlantic pipes with a diverse ultra-low-latency backbone dubbed the GFN. "It's no longer just a transatlantic asset," Gutshall said of the Hibernia network. "It's actually expanded into 104 PoPs around the globe. The great thing about that is it allows us to get into those other markets. We're able to provide ultra-low latency to high-frequency traders to get to different liquidity pools. As well, we're now servicing the foreign exchange currency markets. Out of six markets, we can really focus on a few of those high-end financial groups that kind of buy like carriers. These guys buy GigE and 2.5G and 10G as carriers do."

Hibernia sees the GFN as an increasingly important asset, having recently connected to Interxion's London Proximity Data Center and snapping up new contracts. "We added just below 75 logos new in the financial last year alone," Gutshall explained. "We're just a small group. We're going after a vertical that allows us to sell into those locations. But those typical folks may have 10 or 12 circuits with other customers, meaning the Verizons and AT&Ts of the world. But for us, we're gaining



critical mass by one, two, three and four circuits with these folks. We promise, from signature to turn up, five days on the GFN."

Gutshall said the coming year would likely see the greater submarine cable industry embracing this sort of diversification. "When you look at submarine cable networks, it's great to be a wholesaler. But I think the key to success for those folks is to be a wholesaler, but recognize you can do other things for other folks," he opined. "Instead of a typical cable station to cable station model, I think it's going to be looking at wider networks. We're a submarine cable that has transformed into a communications company. To just go from cable stations to a few carriers for PoPs into 104 PoPs globally, we've transformed overnight into a global carrier. That's a nice model."

Operators must adopt a holistic view of the network to triumph in the current market, Gutshall told CommsDay. "You have to look at things a little differently. Look at the financial markets. Look at media. Look at our world as a whole. It can't just be considered wholesale and IP. That's just a portion of our net-



work. It's the crown jewel, but you have to diversify from that."

But traditional IP remains the major traffic generator for now. "Independent networks and video are still going to be the massive drivers," Gutshall said. "Even metropolitan networks continue to grow. In the first and last mile, people have more choices, like the XOs into locations. It gives us a greater platform to excel. Reaching into other markets like Ireland allowed us to hit 13 new cities in northern Ireland coming direct from North America that it didn't allow before. We're hitting new markets where folks aren't."

Hibernia has embarked on a 40G upgrade in response to traffic growth. "Across the network, North America and Europe, we've just quadrupled it. We were filling up quite nicely on the 10G. We have tons of available space. We went from 2.56Tbps to four times that literally overnight," Gutshall said, adding 100G has been "talked about. We're still trying to get our heads around 40G for customers. We're putting it into the backbone, obviously."

Gutshall said any potential 100G upgrade would have to make commercial sense. "Folks are starting to test 100G. It is on our radar. It makes sense. It will make the world a very different place," he said. "But for now it's on the radar. All of our equipment vendors that we use are looking at the technology and developing it. Once it becomes available and more commercial, we'll be one of the first to use it."

Patrick Neighly

Does stronger security mean cloud-based security?

With the recent high profile hacks involving mega-corporations such as Google and allegedly, the Chinese government, it is no wonder that network security is grabbing headlines globally.

The fact of the matter is, cyberspace is still a pretty treacherous domain when it comes to security and access control. While there are plenty of solutions on the market, ensuring only the right people get access to the right level of information is fast becoming a monumental task for corporate IT management. Not only do they need to constantly put in stronger and stronger security, but they must manage an increasingly mobile workforce accessing the corporate infrastructure from a growing number of networks and devices.

While there are plenty of solutions on the market, and lots of service providers of managed security services, there is a trend towards stronger types of security that involve an extra layer of authentication to control access and service providers that can manage the security mechanism online, in the cloud, according to Eric Hemmendinger, director of managed security services at Tata Communications.

"I believe over time, we are going to see more and more organisation turn to what we refer to as strong authentication solutions. Those companies do so for a variety of reasons, but the key is they realise 'we have information with intellectual property, ways we operate, that we really don't want other people to know about. We've got sensitive data, and it's critical therefore that we know who ever is coming into the network is supposed to be there,'" he said. At the same time, more users are now mobile, with laptop computers, smartphones all vying for access into the corporate infrastructure. "More than half of PCs that are purchase now are laptops – they are intended to be used as a mobile device, employees bring them in in the morning when they come in and they take it with them when they leave. Corporations who provide them do so with the expectation that they will be using them when they leave the premises."

INDIVIDUAL TOKENS: But implementing authentication capabilities in a company's security infrastructure does have its own challenges, including the fact that each employee will have to be allocated its own token for authentication, and those tokens have to be replaced periodically to ensure they are up to date.

"Companies that have been using these two factor solutions for a number of years have come to learn some of the challenges of managing them. The systems themselves are very robust and very strong, but the tokens themselves need to be replaced every two to three years. So you have to reprovision tokens periodically," he said. "For large organisations, it's actually not just a couple of hours for one person, it can in fact be a full time job. If you think about an organisation that's got tens of thousands of users spread out over the globe, you've got to get tokens to all those people, you've got to configure a data base for that number of people and you've got to implement all the privileges for them, and you've got to go back periodically and reprovision all those tokens all over again."

Increasingly, corporations are turning to service providers like Tata, Hemmendinger said: "They realise 'I need this capability, but I would much prefer to focus my scarce security expertise on things that are more strategic in nature. As long as my security provider is an organisation that has very, very stringent discipline in place and I'm comfortable turning over certain types of work to them, they are going to do it at least as good, or better, than I can do it myself. They can probably do it cheaper than I can do it, and it is something that I no longer have to worry about how it is getting done, whether or not it is taking me away from other things that are perhaps more important'."