

Tellabs on Track to Reduce Carbon Footprint 20% by 2013

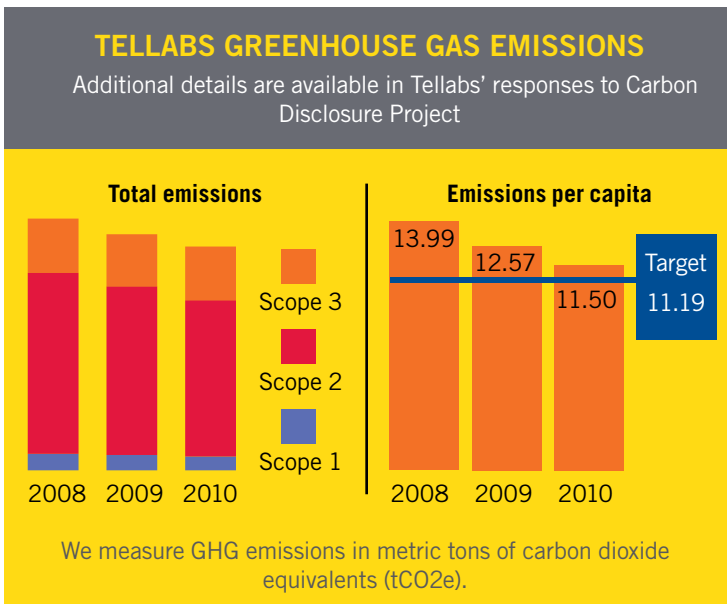
Throughout 2011, *Insight* profiled service providers that are reducing energy consumption to benefit the environment, their customers and their bottom lines. That's not the only reason it's a familiar story at Tellabs. Since 2008, the company has reduced its carbon footprint 13%, the equivalent of taking 1,000 cars off the road.

Three years ago, Tellabs began participating in the Carbon Disclosure Project (CDP), the world's largest database of corporate greenhouse gas emissions. The CDP provides methodology to ensure that all participants measure their emissions the same way.

Tellabs' CDP reports include the company's major international offices in countries such as China and Finland. In early 2010, the Finland offices switched to electricity produced by hydropower, which Tellabs predicted would reduce carbon emissions by almost 2,100 metric tons in the first year.

The switch to hydropower is a major reason why Tellabs' global carbon footprint shrank 5% over the past year. By 2013, Tellabs expects to reduce emissions 20% per employee compared with 2008. Those kinds of goals and results are among the reasons why the Maplecroft Climate Change Innovation Index, FTSE4Good and 8 FTSE KLD indexes consider Tellabs a responsible investment.

To see Tellabs' CDP reports for 2008 through 2011, visit www.tellabs.com/about/reports.shtml. And to learn how operators such as Bharti-Infratel, Comcast, Verizon Wireless and Vodafone save energy, check out the 2011 editions of *Insight* at www.tellabs.com/news/insight. ■



The earthquake and tsunami that struck Japan in March disrupted telecom services throughout the country. To

help its longtime customer NTT Communications recover quickly, Tellabs provided replacements for 11 Tellabs® 8800 Multiservice Router 10GE modules damaged in the disaster.

In June, NTT Communications' Network Business Division hand-delivered a letter expressing the company's thanks for the quick response. "Tellabs has made a significant contribution to NTTCom and our network service by promptly sending replacements," wrote Yukio Ito, vice president and executive manager of NTT Communications' Network Business Division. "NTTCom would like to show deep appreciation to Tellabs for giving the highest priority and quick action to this issue."

NTT Communications has been a Tellabs customer since 2003, when it began using the Tellabs 8800 Multiservice Router 10GE modules to support its IP/MPLS network with Ethernet service delivery. (For an in-depth look at NTT Communications' IP/MPLS strategy, visit www.tellabs.com/insight and check out "NTT Com Looks to Blaze New Trails" in the March 2009 issue.)

"We are glad that we could help our Japanese customers," said Michael Stephens, Tellabs director for customer service in the Asia-Pacific region. "The earthquake and tsunami have taken many lives and destroyed a substantial amount of infrastructure there. We wanted to help them restore services and help get the business back on its feet." ■



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Mobile Video Call Revenue to Top \$1 Billion and 9 Petabytes by 2015

Germany's Reichspost launched the world's first public videophone service in 1936. It took another 70 or so years for videoconferencing and Skype to become mainstream services.

By comparison, mobile video calling looks like an overnight phenomenon. Nearly 1 in 10 mobile users worldwide—roughly 130 million people—will make video calls by 2016, according to a recent Juniper Research report.

Other analyst firms have a similar outlook. In-Stat, for example, expects mobile video calling to generate \$1 billion in revenue by 2015. In-Stat also predicts that:

- Between 2010 and 2015, the number of mobile video callers will increase at a compound annual growth rate of 115%.
- People in Asia-Pacific will use more than half of the world's mobile video calling minutes.
- In North America, mobile video calls will add up to 9 petabytes of traffic by 2015.

For mobile operators, video calling is both an opportunity and a challenge. It's a new revenue stream that can help offset flat or declining voice revenue. But video calling also is among the reasons why operators are migrating to Ethernet backhaul both to accommodate the additional traffic and reduce transport costs.

Operators also are dealing with the challenge by deploying platforms that provide more control over bandwidth-intensive, delay-sensitive traffic such as video calls. For some examples, visit www.tellabs.com/news/insight and check out "Mobile Operators Take Charge" in the Q3 2011 *Insight*. ■



Personalized Plans Key to Mobile Data Profitability, Gartner Says

Mobile data revenue will total nearly \$315 billion this year, a 22.5% increase from 2010, according to a recent Gartner report. By 2015, annual revenue will hit \$552 billion. The catch? To profit from that trend, mobile operators must create rate plans that are flexible, personalized and user-friendly.

"Carriers should focus on increasing the level of clarity and the transparency of their mobile data contracts in order to make the majority of customers feel more at ease in using data services," said Jessica Ekholm, Gartner principal research analyst.

For example, Gartner recommends that operators consider tiered pricing, à la carte and use-based plans. The firm also suggests add-on pricing models, such as allowing users to sign up for data service when they need it or buy higher speeds when they require bandwidth-intensive services.

New pricing strategies are key for accommodating another trend: Data volumes and users will continue to increase over the next several years, but data revenue will grow at a much slower rate, Gartner says.

"This is causing a decoupling between revenue and data traffic, and it is also creating an increase in network costs for carriers as they try to sustain growing data traffic," Ekholm said.

For more insights into the profitability challenge and solutions, visit www.tellabs.com/news/insight and check out "Financial Security" and "The End of Profitability," both in the Q2 2011 *Insight*. ■



**CLOUD COMPUTING CAN
POWER 5.7 MILLION CARS**

Enterprises are flocking to cloud computing because it reduces capital expenses while providing access to the latest and greatest technologies. A recent study quantifies some other benefits. Large U.S. enterprises could reduce their carbon footprint by the equivalent of 200 million barrels of oil annually. That's enough to run 5.7 million cars for 1 year.

Sponsored by AT&T, the Carbon Disclosure Project study found that enterprises plan to increase their cloud computing spending from 10% of their current IT budgets to 69% by 2020. In the process, they would reduce their collective energy spending by \$12.3 billion annually by the end of that period. Their carbon dioxide output also would drop by 85.7 million metric tons.

The full study is available at <https://www.cdproject.net/en-US/WhatWeDo/Pages/Cloud-Computing.aspx>.