



## **PRESS RELEASE**

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## **Fragmented IMS Equipment Market Likely to Persist for Now** *IMS Interoperability May Be 2-4 Years Away for Service Providers*

SAN DIEGO, CA, Feb. 7, 2006—inCode analysis of contract awards for IP Multimedia Subsystem (IMS) equipment indicates that service providers tend to spread network and application component purchases across multiple vendors, rather than select a single “mega” vendor for all components. The trend, apparent in the [inCode IMS Global Deployments matrix](#) for the month ended January 30, is likely to persist as operators and their third-party partners develop viable business models for IMS-enabled service creation and delivery.

“This ‘mix-and-match’ approach will drive down operator costs in the long term,” said P.K. Prasanna, inCode IMS Technology Lead. “However, it may result in an ironic consequence. Particularly in early implementations, operators will find that they must allocate time and resources for integrating multiple vendor technologies—a challenging task that IMS was intended to eliminate.”

IMS architecture can provide a common IP foundation for wireless, wireline and cable TV networks, consolidating platforms for voice and data service delivery and reducing IT and network integration costs. But at this stage of IMS development, equipment vendors are battling to differentiate their specific approaches, resulting in interoperability issues for operators. Vendors see differentiation as crucial because it could help establish market dominance. Since IMS replaces existing infrastructure at lower cost, it could contribute to a streamlined equipment market in the future. As a result, IMS adoption could actually add to current consolidation pressures among infrastructure providers.

To overcome interoperability problems, vendors are sponsoring “user forums” that serve as interoperability coalitions and marketing efforts. “This resembles the early days of frame relay and ATM, when a number of industry forums were established to accelerate adoption of these new technologies,” Prasanna continued. “However, if such forums are to succeed, one or more operators—especially across network domains, such as wireless and cable TV—must set the interoperability and service objectives.”

“The expectation is that IMS will be a plug-and-play solution,” Prasanna concluded, “but that vision may be two to four years away from reality.”

For more information on IMS and its benefits for service providers and end users, please see: [20 Frequently Asked Questions About IMS and What it Means for Wireless.](#)

**About inCode:**

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