ERICSSON

Press Release
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Major trial of Ericsson's ENGINE in BT's intercity communications expansion program

- BT and Ericsson switch voice, data, video and IP calls over an ATM network

An extended trial of a new communications system that is capable of carrying voice, data, video and Internet calls over the same network has been successfully completed in the United Kingdom by BT and Ericsson.

This major trial of the new Ericsson ENGINE communications switching system is a key milestone in BT's program to evolve its current intercity backbone network into one capable of carrying voice, data, video and Internet traffic over an ATM network. The next phase of the £270 million BT expansion project, involving further technical development and the deployment of fully specified ENGINE nodes, will now begin.

"Ericsson's approach uses leading edge technologies from the worlds of telephony and computing. It heralds an exciting new era in multi-service communications," said Peter Leach, BT. "My congratulations to the joint team from both companies. The completion of the trial is a significant and important milestone that clearly demonstrated that the investment BT has made in our existing nationwide transit network will not only be protected, but can now be developed further to provide the company with significant new business opportunities."

An Ericsson ENGINE switched network node was installed at each test site and, during the six week trial, which finished on 31 July, live internal traffic was switched between BT's Adastral Park and Ericsson's Burgess Hill facility. Applications that were demonstrated over BT's commercial ATM network included: IP, ISDN voice and data, PSTN voice and data, and broadband video.

"BT is pioneering the migration to the next generation of multi-service communications and is being watched closely by many other network operators around the world that are seeking similar solutions," said Stefan Feniuk, Ericsson. "The trials have convinced us that the ENGINE solution is not only feasible but that it provides the best way forward for network operators such as BT. The successful completion of the trials will be noted with great interest in other countries around the world where ENGINE is currently being evaluated."

Ericsson is the leading communications supplier, combining innovation in mobility and Internet in creating the new era of mobile Internet. Ericsson provides total solutions covering everything from systems and applications to mobile phones and other communications tools. With more than 100,000 employees in 140 countries, Ericsson simplifies communications for customers all over the world.

Read more at http://www.ericsson.com/pressroom

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Significant five-year landmark

Completion of the trial is a significant landmark in a five-year £270 million frame contract signed between BT and Ericsson in December 1998. As well as migrating BT's intercity transit circuit-switched network into one with multi-service ATM capabilities, the project is designed to substantially increase the call handling capacity in BT's network and to reduce operating and maintenance costs.

Not only is BT's intercity network experiencing increased demand from the growth of fixed and mobile communications - most mobile calls are made from or to a fixed telephone - and Internet access, but as the incumbent operator BT is committed to providing capacity to other licensed operators in the UK.

The frame contract between BT and Ericsson has also meant evolving an entirely new way of working for the telecommunications industry. The project is being managed by a joint BT/Ericsson group responsible for overseeing every aspect of the program with BT and Ericsson teams of development, engineering and procurement specialists working alongside each other.

To-date, 27 new Ericsson nodes, prepared for upgrading to the full ENGINE hybrid specification, has been brought into service under this program.

Having successfully proved the ENGINE hybrid switched technology, BT and Ericsson will now work towards rolling out a full ENGINE network. The first fully operational switch is scheduled for service in August 2001.

About ENGINE

Ericsson's vision for future networks is a new type of robust, multi-service network infrastructure based on new packet-switching technologies designed for real-time
services; a network able to carry large and growing volumes of bit traffic, and to cope with the interconnection requirements of deregulated and competitive telecom environments. Ericsson has created ENGINE - a powerful, data-enabled, multi-service network offering. The technologies used in this architecture - and the structure itself – are fully optimized to achieve the lowest operational costs, bringing the highest possible revenue opportunities for operators.

To learn more about Ericsson's suite of multi-service network solutions, ENGINE, please visit http://www.ericsson.com/engine