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Conclusions

- Major barrier to service-level interconnection is coordination
- Need a coordinator an overlay
- Network Neutrality: justified
- Government could lead the way

Three Levels of Interconnection



Structure of Talk

- Narrowing the problem: video conferencing
- The stakes
- How stakeholders may solve the problem
- Government's role

High Quality Video Conferencing May Help Drive QoS

- Widespread VC foreseeable
- Needs considerable bandwidth
 - Could press existing network capacity
- HQVC has a money flow that helps answer "Who pays for the QoS"?
- QoS = Lack of jitter, lack of loss, low latency

Non-Internet Video Conferencing

- Multi-billion dollar industry
- Hard-wired conference rooms
- Private IP network or ISDN
- Dependable; good video quality
- Monthly costs are US\$ thousands
- But can't conference with everyone you want

Internet-Based Video Conferencing

- WebEx, Skype, NetMeeting
- Connect from anywhere
 - Another company, a laptop on the road
- Much cheaper
- But undependable

Needed: Best of Both

- Widely available
 - Over the Internet
- High-quality & dependable
 - Quality of HDTV

Interconnection Is Lacking

- There is no good QoS across ISP boundaries
- It is not a technical problem
- It is a problem of coordination of ISPs

Stakeholders' Interests

Customer

- Cannot sacrifice reliability, security
- Access ISP
 - Offering profitable HQVC-related services
 - Vertical integration
 - Offering HQVC to many points
- Backbone ISP
 - Profiting from carrying high-QoS traffic

Stakeholders' Interests (2)

Application Provider

- Profit
- Having QoS among many points

Regulator

• Avoiding inefficiencies we will discuss

Possible Scenarios

- ISPs self-organize
- App providers deal *individually* with ISPs
- Overlay coordinates

ISPs self-organize

Currently unorganized

- No industry-wide agreement on QoS
- No standards / coordination initiatives
- Money is left on table
- Need lots of arrangements
 - Each ISP negotiates with all/most of its neighbors



Business Arrangements

ISPs self-organize (cont'd)

Complex task to coordinate

- Unclear compensation schemes
 - Pay by quantity? Pay by congestion?
- Conflicting internal policies to optimize
- End-to-end QoS unlikely
 - More than agreeing to a standard manage complex money flows
 - Possible fragmentation

App Providers Deal with ISPs

High incentives

- "Face" to the customers
 - Takes blame if low quality
 - No need to contact ISP for separate QoS
- Possible strategic edge
 - Better service than competition
 - Co-market "bundles" with selected access ISPs





App Providers: Money Flow



App Providers: Issues

- Still very high costs to coordinate
 Critical to partner with large ISPs
- App providers want exclusivity
 Fragmentation possible
- Small app providers may be left out
 High costs, no bulk discounts by ISPs
- Doubtful many app providers can coordinate a majority of ISPs

Reality Check

- Getting ISPs to self-organize is hard
- Getting App Providers to each organize with every ISP is hard
- Potential role for an overlay as a coordinator

Overlay Drives Coordination

- Trusted 3rd party
- Overlay manages:
 - money flow
 - traffic through preferred ISPs
- Who pays whom:
 - Users pay APs
 - APs pay overlay
 - Overlay pays ISPs



Case Study - Internap

Lease bandwidth from backbone ISPs
 Provide very high dependability by avoiding ISPs with congestion



Internap Congestion Routing



Overlay Benefits

For ISPs:

- Can remain a "cloud" to other ISPs
- Coordinate with one overlay
 - Lower cost than self-organizing

For App Providers:

- Large/small providers can get SLA
- Deal only with overlay no ISP
- For consumers:
 - Same way to sign up / get service
 - Extra fees, if any, paid only to app provider
 - Widely availability can reach more users²

Summary of Scenarios

	ISPs	App Providers	Overlay
# of	# ISPs * #		
Coordinations	Neighbors	# ISPs * # Aps	# ISPs + # Aps
Fragmentation	Medium	High	Low
Trade Secret			
Sensitivity	High	Medium	Medium
Scalability for			
New Aps	High	Low	High

Overlay: A Natural Monopoly?

- High sunk cost: putting a system of coordination in place
- Low marginal cost: operating, adding new ISPs
- Network externalities; hard to start up
- But after it is done once, others may learn from example

Network Neutrality

- QoS is new revenue opportunity for ISPs
- If monopoly, overlay should be neutral for QoS traffic
 - More enforceable

Network Neutrality (cont'd)

- New problem: pro-QoS discrimination
 - ISPs degrade non-QoS traffic on purpose
 - Requires regulation?

Government Initiates Overlay

- Establish functional guidelines for overlay
- Oversee development of overlay
- Provide seed money

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Overlay Definition (Clark et. al. 2005)

An Overlay is a set of servers deployed across the Internet that:

- a) provide some sort of infrastructure to one (or ideally several) applications,
- b) in some way take responsibility for the forwarding and handling of application data in ways that are different from or in competition with what is part of the basic Internet,
- c) are operated in an organized and coherent way by third parties (which may include collections of end-users) to provide a well-understood service that is infrastructurelike, but,
- d) are not thought of as part of the basic Internet.