



## Neo Telecoms installs Transmode systems to improve growth potential

Neo Telecoms's network was established in Paris, France, in 1999 by AboveNet, a global "tier one" IP operator. Since 2003, Neo has been an independent company, formed in an MBO led by Didier Soucheyre, now the company's CEO. The company's advanced Internet infrastructure is based on a combination of services including: IP transit, hosting and managed services, as well as a dedicated pan-European network, known as AS8218.



*Didier Soucheyre  
CEO Neo Telecoms*

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Neo's business activities include deployment and management of optical fibre networks and hosting of IP services in neutral carrier hotels. The existing European network covers today five countries with 100Gbit/s capacity, connecting 25 data centres. Key cities on the Neo network are London, Amsterdam, Paris, Luxembourg, Frankfurt and Vienna but the company has plans to extend its reach to connect to New York, Milan, Madrid and further east to central Europe. A further Neo activity is reselling of network hardware such as routers and xWDM equipment.

"We have established a pan-European business model, using a carrier network architecture, which we are migrating to 10Gbit/s from OC48 (2.5Gbit/s)," said Didier Soucheyre, Neo's CEO. "We are also offering value-added services such as storage and back up. We have financed all of our own investment ourselves."

In 2007, the company's development plans led to a review of the existing structure and the decision to install new equipment to improve Neo's potential to offer expanded services beyond its then point-to-point model. In May 2007, Pascale Birebent, Transmode's France sales manager approached Neo to explain the advantages of the Transmode products. After considering several competitive presentations from other WDM systems and equipment vendors Neo decided to install a combination of TM-Series and TS-Series wavelength division multiplexing (WDM) equipment from Transmode. This multipurpose equipment enabled new services not previously available in Neo's portfolio. Final delivery, system testing and training of the Neo staff took place in November 2007 and the equipment was commissioned and ready by the end of December 2007 – ahead of schedule.

"The Transmode systems are ideally suited for the metro network because they allow our existing city services to be extended, which in turn enables new services for our customers," Soucheyre said. "A key attraction of the Transmode system is its modularity, which gives us the flexibility to easily change the arrangement as our needs change. I also wanted equipment that is remotely

# Case study

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manageable and which indicates the functionality of the network at any given time."

"I know what services Neo can offer today but not yet the precise nature of the services we may have to offer in the future, so I need to invest in equipment that allows flexibility. Another key Neo objective is to automate as much as possible the provisioning of redundancy and GMPLS compliance. The Transmode system's capabilities meet those needs for us."

Neo initially plans to use its newly-installed Transmode systems for extending its metro services. The new structure will replace point-to-point customer solutions with easily reconfigurable "multi-customer" services. "The previous system was too much of a linear box-to-box solution between just a pair of customers" Soucheyre added. "Transmode's approach enabled us to create a more flexible architecture."

### Partnership sells

Another benefit of the Transmode-Neo deal has been the joint selling of the expanded network's services by both partners to potential new customers. Since the initial contact between Transmode and Neo, the companies have maintained a dialogue, which Soucheyre says has been instrumental in growing customer confidence and increasing the potential for new business. "We have learned together with our customers about the potential of the WDM approach. We convinced Neo customers that a good solution would be the combination of the Neo and Transmode strategies and equipment."

Didier Soucheyre received good feedback from the Neo team on the equipment and the installation. "The quality of delivery was certainly greater than we had been expecting and there were no unforeseen problems. Prior to the completion of the Transmode installation, our customers were using gigabit or dedicated line services but since the end of 2007, we have been able to sell the expanded WDM services."

### Attractions of Transmode

Neo's choice of Transmode was also influenced by the quality of support and easy access to appropriate Transmode people compared with the sales models offered by the competing vendors. Another factor was that Transmode, being a European based company, was able to respond quickly to order changes and inquiries.

So why did Neo opt for a WDM solution? Soucheyre has no doubts about adopting this technology. "To achieve the best and future-protected IT result nowadays there is no real alternative to a fibrebased solution. Transmode has given us a competitive advantage because we want to be the most advanced network service provider."

Neo's service level agreements (SLA) to its customers are now based on WDM. It offers two classes of SLA - the "premium" service, which includes 100% availability with priority and the "standard" lower priced service. An end to end solution is necessary to be able to offer this quality and choice. Soucheyre expects the return on the investment in the Transmode equipment

to be just 1-2 years. "I believe that infrastructure is always a good investment. This latest improvement will last Neo for the coming 3-4 years at least."

"Neo's medium term plan is to set up similar services to its Paris operation in other European networks the company is present. In Paris we are also considering extending our network within the new Datacentres being constructed. We would also like to deliver our services further across Europe" Soucheyre concluded.

### About Neo Telecoms

Established in 1999, Neo Telecoms was formerly the French subsidiary of Abovenet up to the end of 2002. The company's aim is to develop its existing products, enriching them with new solutions of communication, adjusted around its IP, hosting and connectivity services to provide IP convergence solutions. The Group has one of the most effective Internet infrastructures on the market, based on the following services: IP transit, hosting services, managed services, and a European Network between Paris, London, Frankfurt, Amsterdam and Vienna, offering MPLS Ethernet private circuits between the six cities.

For further information: [www.neotelecoms.com](http://www.neotelecoms.com) Neo also provides fibre, network and IP to France's main ISPs such as: 9telecom, Numericable, Completel, Free; and telcos such as TeliaSonera, Tiscali, KDDI, Viatel and EUNetworks. The company is increasingly requested to provide, configure and support customers' border gateway protocol (BGP) routers or WDM equipment. Recently, the company also started its own Pan European IP backbone based on its AS 8218. Between 2004 and 2007, NEO's turnover grew each year by 40%; by 2007 it had reached €10-11 million

### About Transmode

Transmode is a leading provider of optical networking solutions for transport of data, voice and video traffic, based on WDM-technology (Wavelength Division Multiplexing).

Our customer base consists of more than 200 network operators, service providers, large enterprises and public institutions across Europe, the Americas and Asia.

Transmode's comprehensive product portfolio and strong global organization enable our customers to cost efficiently grow the capacity and to improve service level of their regional, metro and metro access networks, without compromising on functionality.

For more information about Transmode, please visit <http://www.transmode.com>