

# **KT**'s Broadband Strategy

## **xDSL & NGN**

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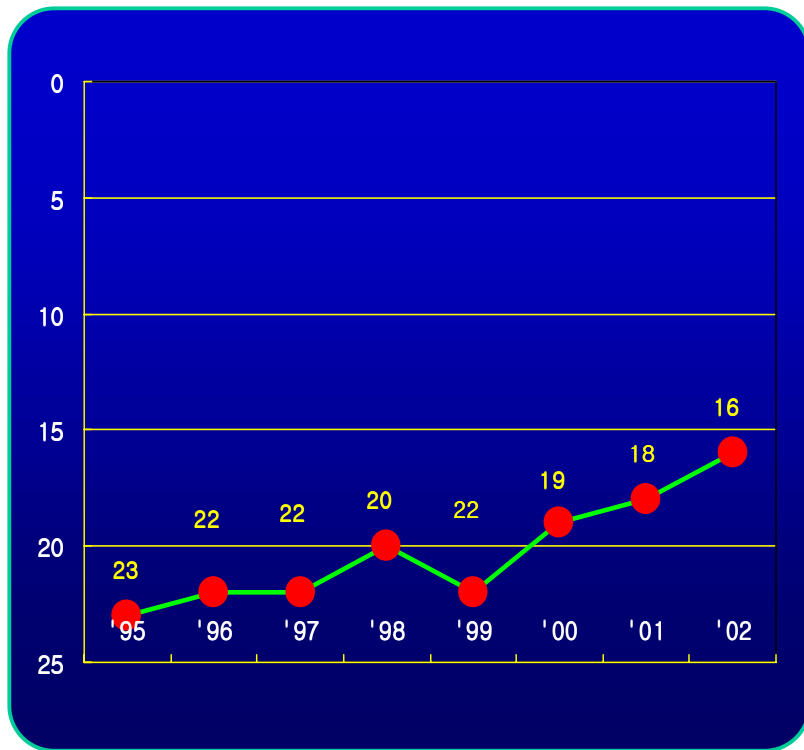


# Global Leader: KT

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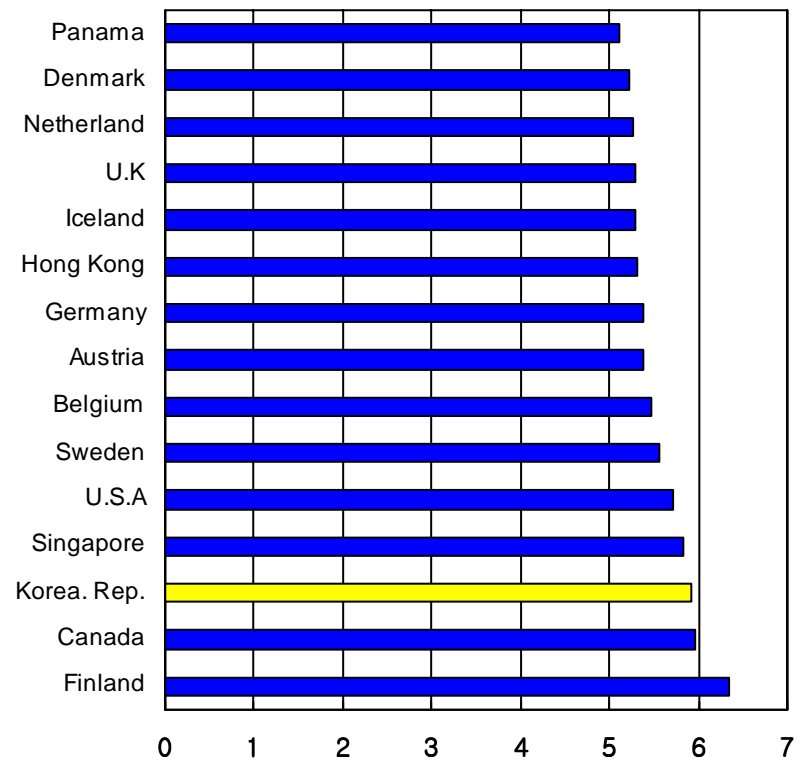
# Where Korea Stands

## Korea's Information Society Ranking



Source: IDC(Int'l Data Corporation)

## Broadband Penetration Level by Country

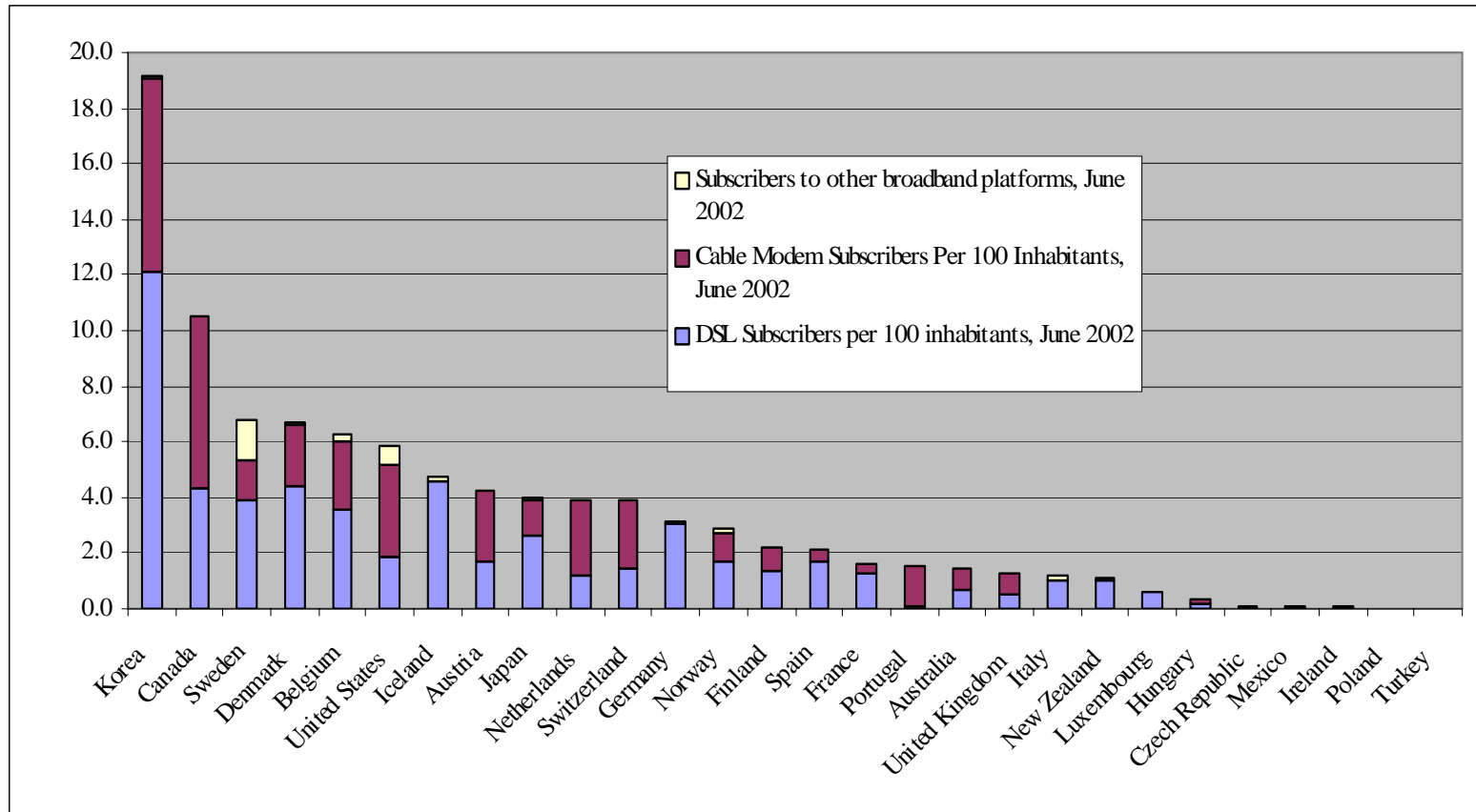


Source: WEF(World Economic Forum),  
'Global Information Technology Report 2002~2003:  
Readiness for the Networked World'

# Broadband penetration in OECD countries

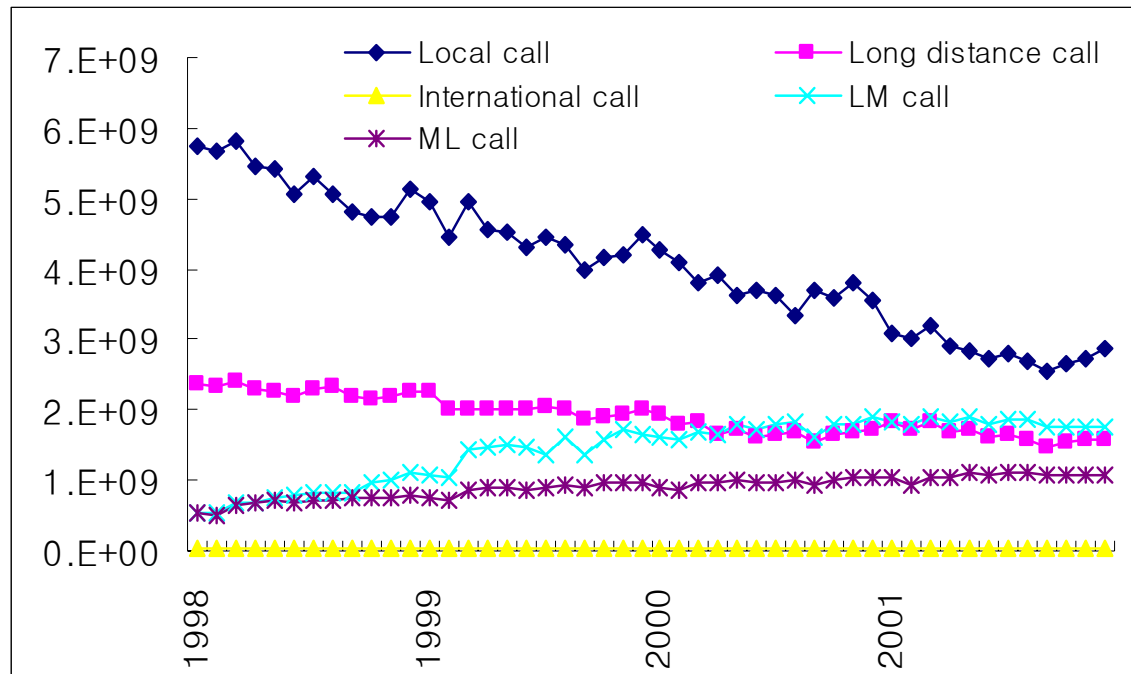


19% (June.2002)



Source: OECD

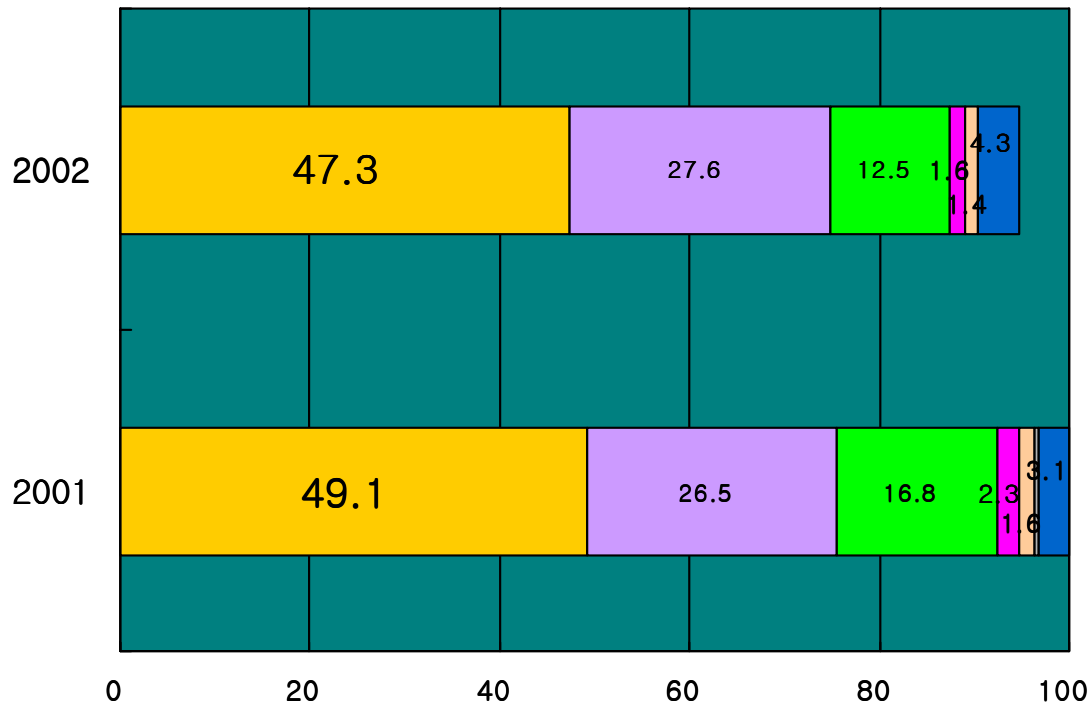
# Traffics of Major KT Services



# Broadband Market Share in Korea

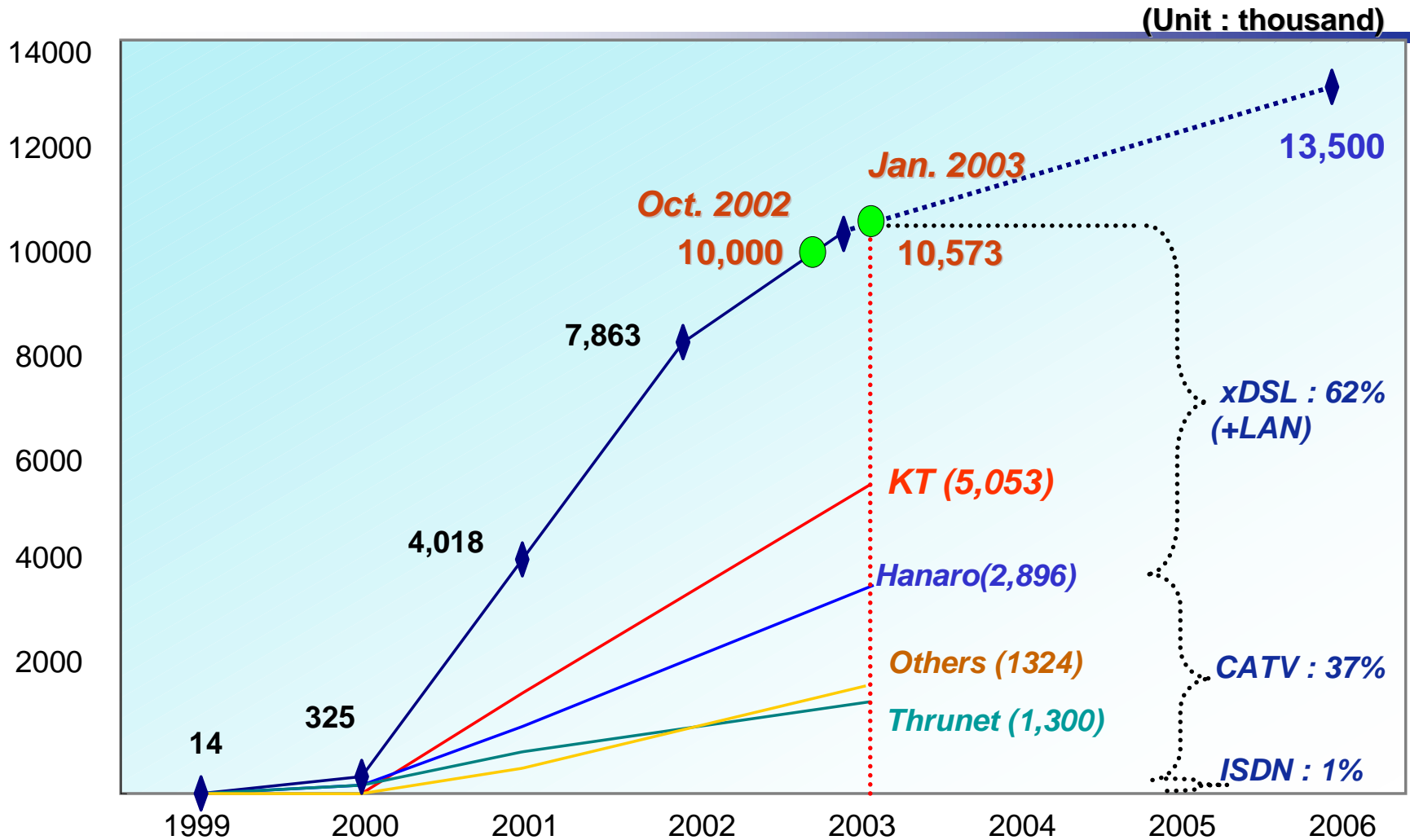
■ KT 
 ■ Hanaro 
 ■ Thrunet 
 ■ Dreamline 
 ■ Dacom 
 ■ SKT 
 ■ Onse

Source: MIC



(%)

# Broadband Market Share Trends





# History of KT Broadband Business



# Key Success Factors



## **External Factors**

- **Urban Geography**
- **Competition**
- **Government Support**
- **Equipment**
- **Mentality**

## **Internal Factors**

- **Aggressive Marketing Strategy**
- **Stable Network**
- **Systematic Management Support System**



# Converged Services

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# Convergence is Inevitable Phenomenon

## IT products

### Home Theater



### Play Station2



### X box



## Financial products

### Total Asset Mgmt

### Private Banking

### Integrated Financial Product



## Package products

### Package

### PC+Printer+Scanner...

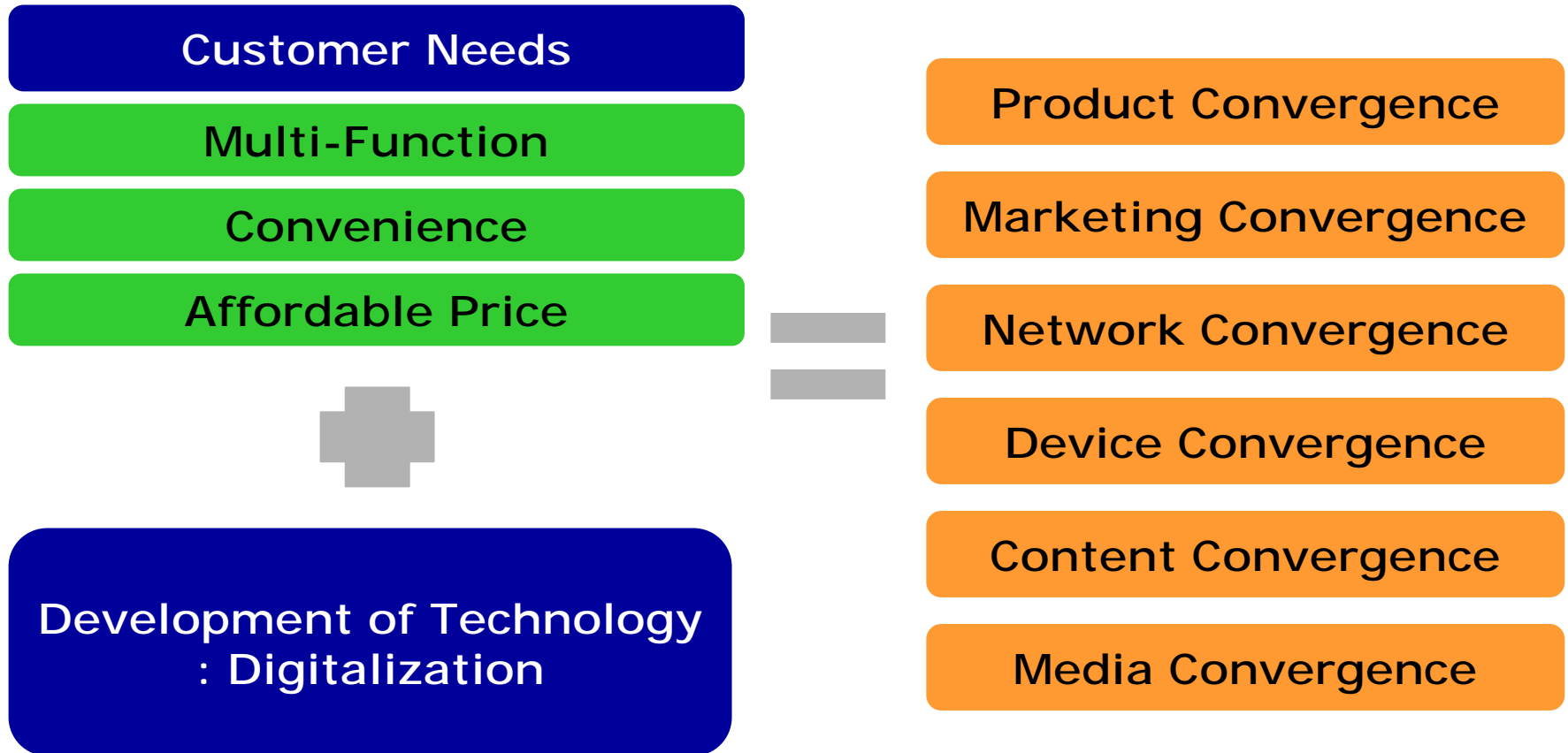


### Converged Service

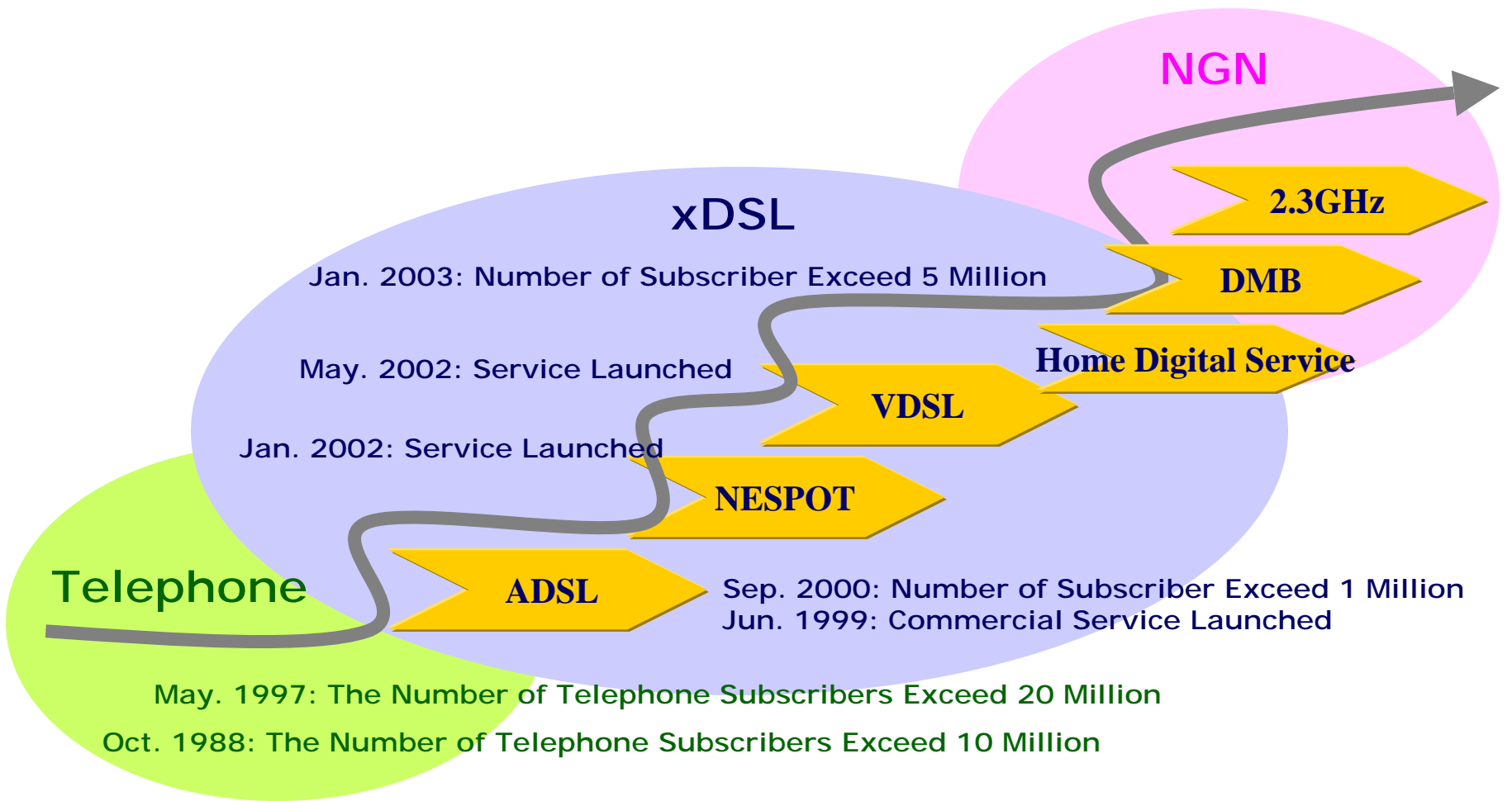
### New car Sales+ Old car scrapping



# What Triggers Convergence?



# KT's Service Evolution Phases



# KT WLAN: NESPOT

## Business Objective

- To Meet an Ever-growing Needs for Mobile Internet Service
- To Develop 'front-end service' by Combining Widespread Broadband and Wireless Solutions

## Hot Spot

- About 18,000 Hot Spots is available in Korea
- 25,000 Hot Spots accessible through the global roaming by the end of 2003

## Service Launch

March, 2002

## No. of Subscribers

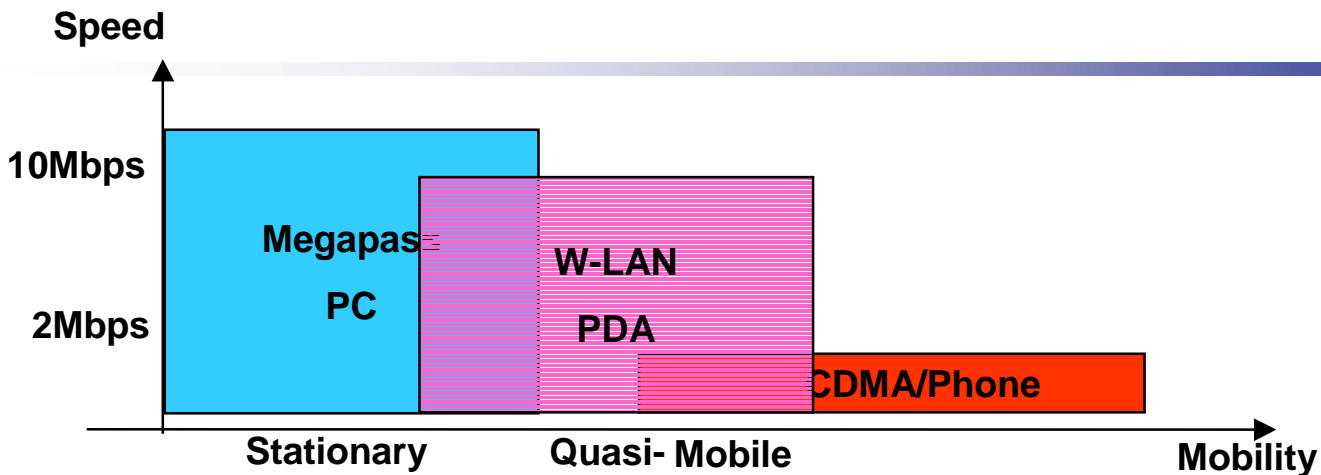
293,000 as of Aug. 2003

## Target Market



Residential Customer, Enterprise Customers, Travelers

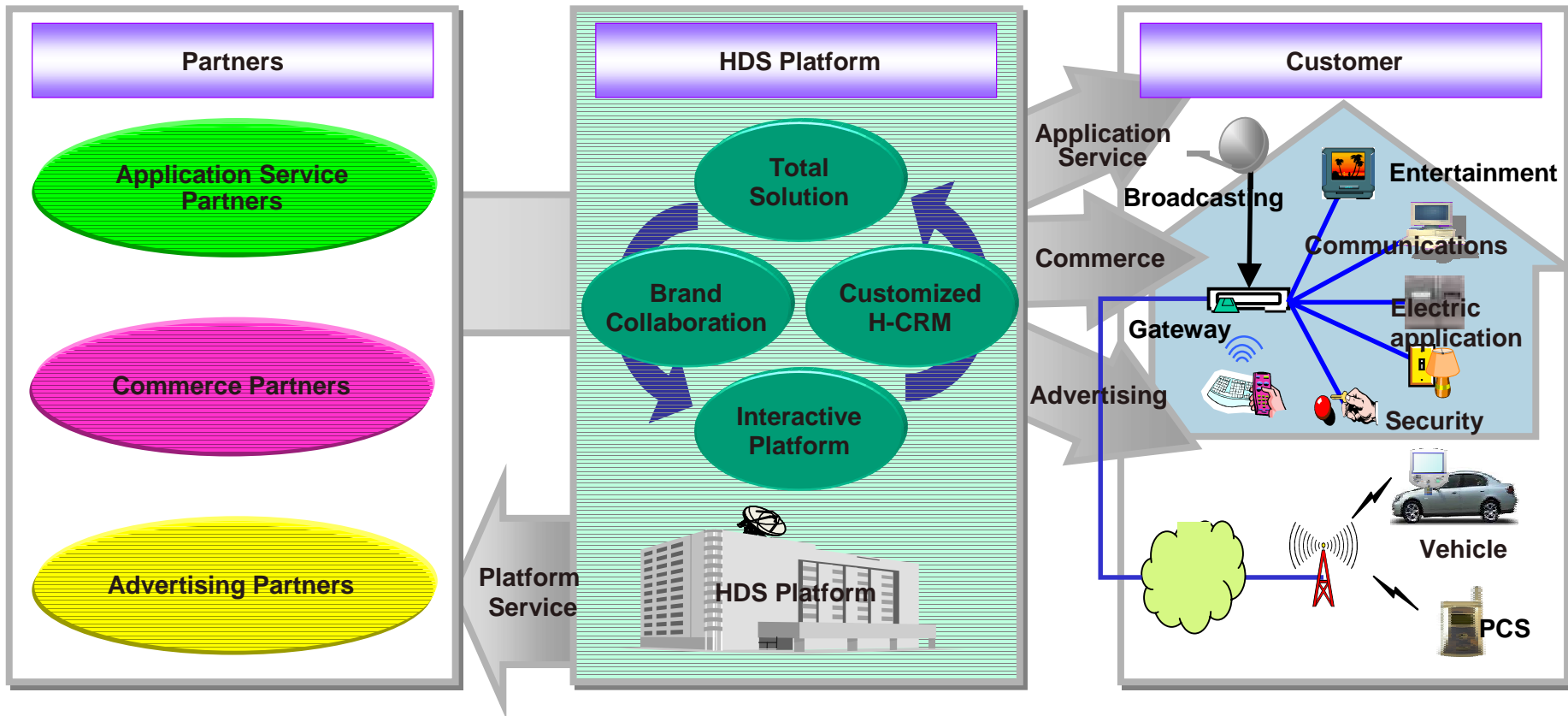
# Public WLAN Positioning



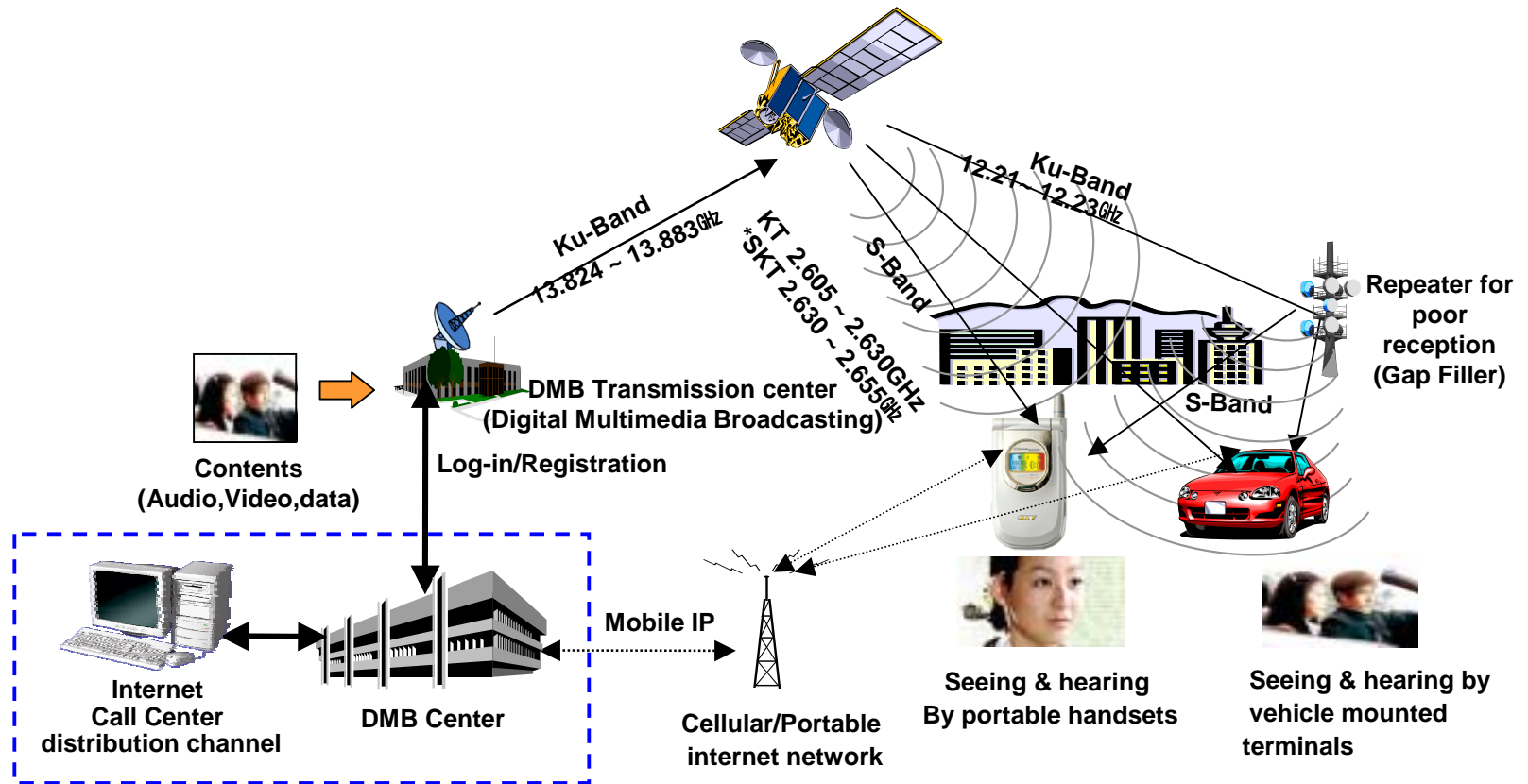
	Megapass	Wireless LAN	CDMA
Coverage	Home, Office	Hot spots	Wide area
Throughput	high	high	slow
Terminals	PC	PDA, Notebook	Phone, PDA
Application	WEB	E-book, VOD, AOD, POP3 Mail, Messenger	Voice, Short Message
Customers	Students at home	Students on Campus Businessman at Hotel, etc	Ordinary



# Digital Life - Home Digital Service



# Digital Multimedia Broadcasting

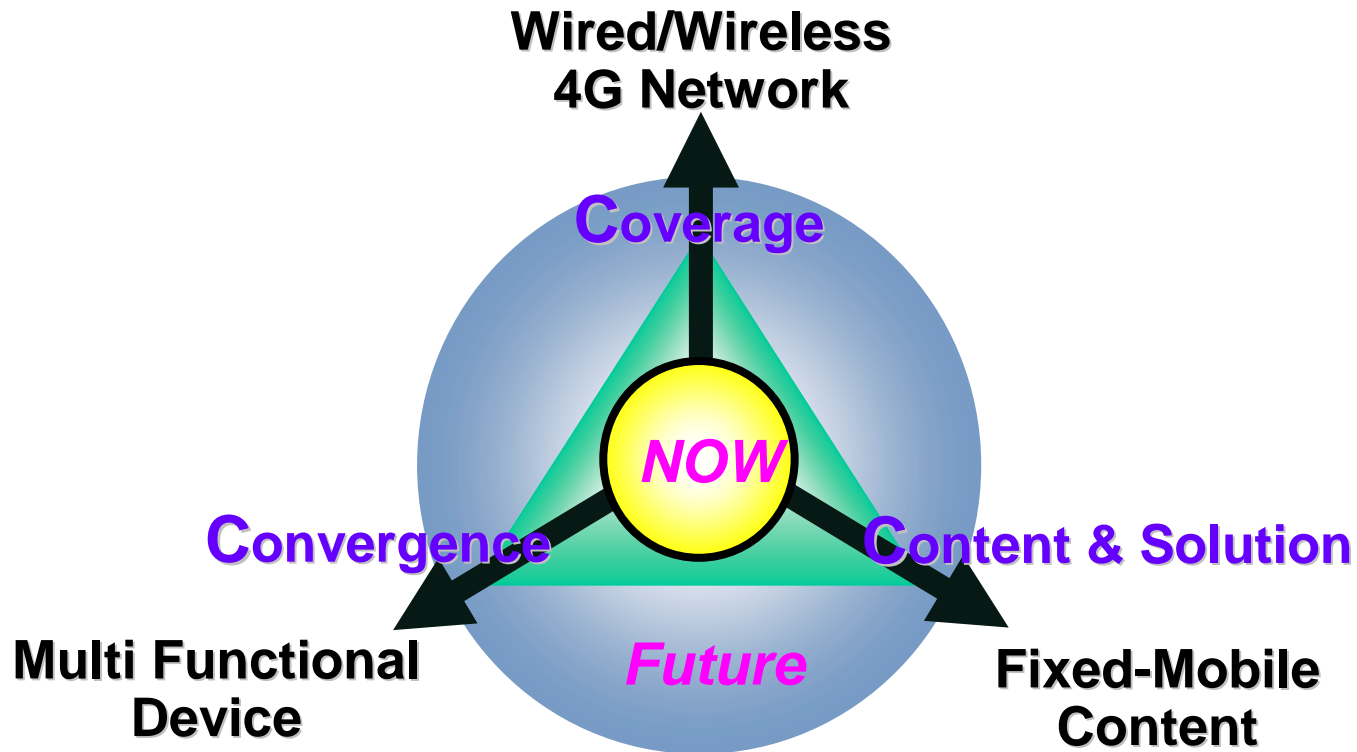




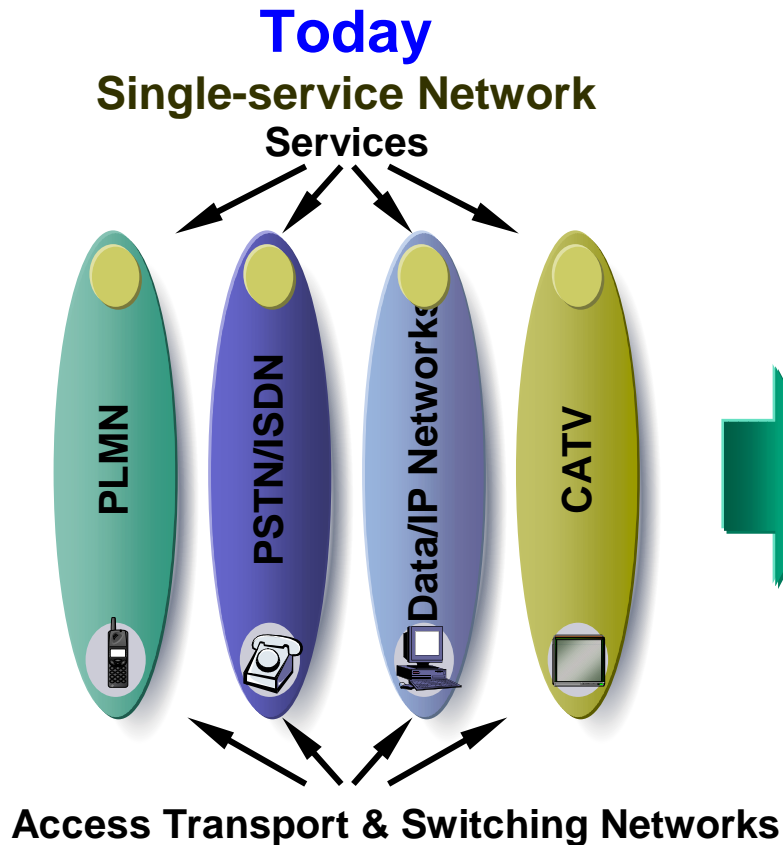
# KT Vision & Strategy

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# Strategic Direction of KT



# Next Generation Network



# KT's NGN Evolution Roadmap

Stage	Preliminary Stage	Stage 1		Stage 2		Stage 3
	~ 2002	2003	2004	2005	2006	2007 ~
Roadmap	<p><b>NGN Foundation</b></p> <p>Access G/W(v5.2)</p> <p>VoIP (H.323/SIP)</p> <p>Open IN Service</p>	<p><b>NGN Migration &amp; Expansion</b></p> <p>Trunk G/W</p> <p>Softswitch(Class 4, 5) VoIP(MEGACO)</p> <p>IP-based IN Service</p>				<p><b>NGN Completion</b></p> <p>VoP Over QoS IP</p>
	Major Action Item	<ul style="list-style-type: none"> <li>. Introduce Access G/W</li> <li>. Replace semi-electronic switching systems</li> <li>. Develop/evaluate SSW</li> <li>. Build packet backbone network</li> </ul>	<ul style="list-style-type: none"> <li>. Introduce trunk G/W</li> <li>. Introduce soft switch (Class 4, 5)</li> <li>. Build packet backbone network</li> </ul>	<ul style="list-style-type: none"> <li>. Expand VoP (Increase supply of SSW)</li> <li>. Expand application service base</li> </ul>	<ul style="list-style-type: none"> <li>. Provide QoS IP-based VoP service</li> </ul>	

# Ubiquitous World



*Converged Broadband Services on  
NGN Will Guarantee KT's Continuous  
Lead in Global IT Industry*

Thank you!

**KT**

*The Value Networking Company*