

3COM EXPECTS ENTERPRISES TO CHOOSE GIGABIT ETHERNET OVER ATM

By: Alfredo P. Hebrona, Jr., *Reporter*

More enterprise customers will deploy Gigabit (one billion bits) Ethernet networks than asynchronous transfer mode (ATM) networks because the former cost less to implement, a 3Com manager said Monday.

Steve Jumonville, business development manager for switching systems at United States-based 3Com Corp., said cost-effectiveness will lead customers to lean toward Gigabit Ethernet.

Mr. Jumonville said installing an ATM system is complex and requires new training for the staff. Gigabit Ethernet, on the other hand, is easier to implement because most existing local area networks are on Ethernet, he added.

Mr. Jumonville said a study by market researcher The Gartner Group says 73 percent of ATM installation costs come from "people costs" or expenses in training people to handle the new technology.

"Majority of the costs are in training. If you use gigabit Ethernet, it will be cheaper because people already have Ethernet on the desktop and servers. People costs of ownership are lower with familiar technologies. When you choose ATM, there's a lot of confusion," Mr. Jumonville said.

He said a study by Del'Oro Group in 1997 says a switched gigabit system costs US\$2.2 per megabit of capacity. A 622-megabit ATM system, meanwhile, costs \$8 per megabit.

"A couple of weeks ago 3Com announced (it will) come out with \$1.2 per megabit. By 2000, (the price) will drop to 70 cents per megabit," Mr. Jumonville said. "ATM is a superior technology, but gigabit is cheap, and people will buy it. If you don't need voice and video, why would you need a complex system?"

He said ATM will be used more on telephone networks. "It is still the better solution if you need small downtime."

"But Ethernet is the one used inside work groups, inside buildings and campuses," he said. "ATM is gonna come from telephone companies."

Mr. Jumonville, however, said Gigabit Ethernet is beyond the capacity of traditional routers. "The problem is, it's too fast for today's router environments. Existing LAN (local area network) routers cannot scale to gigabit speeds."

He said the fastest router speed is only 250 kilobits per second. Also, "router CPUs (central processing units) can't keep up with Gigabit Ethernet," he added.

Mr. Jumonville said the problem is addressed by using Layer 3 switches, which "is just a new generation of routers."