

# Fiber Network Touts Cheap Access

By Randy Barrett

The costs of prime lines into the Internet may come down in an Ohio service provider's plan to sell 1.5-mega-bit-per-second connections at rates well below existing market prices takes off.

Fiber Network Solutions Inc. of Columbus, Ohio, said it is selling full T1 connections to the Net for one-half to two-thirds of the rates charged by competitors.

It charges companies, Internet service providers, or ISPs, and other customers \$695 per month for a T1 line, with a one-time \$250 router setup charge. That compares with rates of \$1,500 to \$2,500 a month charges by other providers for T1 connections, which delivers data at 1.5 million bits per second.

Fiber Network ([www.fibernet.net](http://www.fibernet.net)) officials emphasized that they are not selling pieces of a T1 circuit or "burst" access to a T1. The product offers around-the-clock connections.

"This is a full T1. There are no gimmicks or agendas," company President David Koch said.

The big question is how. Koch said his company spent 14 months examining other major networks and struck upon a cost-effective architecture using off-the-shelf technology.

"We were able to achieve economies of scale that other providers could achieve if they fol-

lowed what we've done," Koch said.

Fiber Network's backbone runs at 155 Mbps, using Asynchronous Transfer Mode, or ATM, technology provided by WorldCom, Inc. and AT&T Corp.

Central to the network are channel cards that allow 28 T1 lines from its customers to run into a single port on a router. The lines then can be fed into a single 45-Mbps line back to a local telephone company's central office.

That setup eliminates the costs of "terminating" multiple T1 lines at a phone company's equipment center. That's a vast economic improvement that other ISPs haven't been willing to pass along to their customers in the form of savings, Vice President of Operations Kyle Bacon said.

"T1 lines have been \$2,000 for the past seven years. The price per port is much less now than it was just one year ago," he said.

Some ISPs offer cut-rate T1 lines for \$500 to \$600 per month but stipulate that the bandwidth can't be resold. Network operators said these "nonresellable" lines tend to be used less and don't eat up the bandwidth that resold T1s do. So it is possible to overbook capacity --- similar to selling more tickets than there are seats

on an airplane --- in the expectation that all the bandwidth won't be used by all the lines at any given time.

Not so at Fiber Network. The company allows full resale of its lines.

"We believe that when a customer buys a T1, they should have the ability to use 1.544 million bits per second --- unrestricted, 24 hours a day, seven days a week. After all, they're paying for that bandwidth," said Koch.

Koch also said he is willing to supply as many Internet Protocol, or IP, addresses as his customers need.

If this all sounds too good to be true, there is a simple explanation for how it's being offered.

"We're willing to take less of a margin to allow more people to get connected," Bacon said.

Fiber Network is in high demand and has attracted 200 customers --- mostly small businesses and ISPs --- since it first started offering the service in March.

"We are hooking up people as fast as we can," Bacon said.

Fiber Network offers connectivity in Akron, Cleveland, Columbus and Dayton, Ohio; Indianapolis; and Pittsburgh. The company has plans to expand into 24 other markets, including Raleigh-Durham, N.C. ▲

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