



SIP FORUM

Corporate Identity Number 802410-6299

ANNUAL REPORT

For the financial year 2002-07-01 - 2003-06-30

SIP Forum
802410-6299

The board of SIP Forum submits the following annual report for the financial year 2002-07-01 – 2003-06-30.

ADMINISTRATION REPORT

Introduction

This is the annual report of the third operative year of the SIP Forum organization. During this third year, the organization has increased its membership by more than ten companies so far, bringing to 35 the number of full members and over 1300 participant members originating from more than 58 countries.

The SIP Forum is a non-profit association whose mission is to promote awareness and provide information about the benefits and capabilities that are enabled by SIP. The SIP Forum will accomplish this mission by posting and generating white papers, by sharing information between service providers, product manufacturers, and research institutions, and participating in other relevant promotional-oriented activities.

SIP Forum is open to everyone that is willing to contribute to the spread of information about SIP and the architectural model that SIP relies on. Individual membership is free. Organizations pay a yearly fee to cover the administration costs of the forum.

SIP (Session Initiation Protocol) is established as the protocol of choice for setting up conferencing, telephony, multimedia and other types of communication sessions on the Internet. SIP may also be used for new types of communications, such as instant messaging and application level mobility across various networks, including wireless, and across user devices. Work on SIP is accomplished primarily in the IETF SIP working group, and at SIPit interoperability events. SIP has however manifold interactions with other areas, such as the next generation wireless internetworks, QoS, payments and security. The objective of the SIP Forum is to facilitate the integration of SIP with such other areas of work on the Internet. We are at the beginning of the deployment phase of new multimedia communication services that are under development by significant Internet service providers and by vendors of Internet technology based on SIP. The SIP Forum is the meeting place for developers of commercial SIP based services and Internet technology, such as SIP phones, PC clients, SIP servers and IP telephony gateways.

Although the Forum has increased its membership base, a number of companies withdrew membership during the period of a management vacuum in the first 5 months of the financial year, and during the last quarter of the previous financial year.

At the time of writing, the SIP Forum is in the process of refining its mission statement and objectives as the view is widely held that the original mission of promoting awareness of the benefits of SIP has largely been achieved. The Forum will now focus on highlighting deployments and success stories around SIP and related technologies.

The list of full members at the end of the financial year 2002 is listed in Table 1.

Acme Packet	Ingate	RADVision
Alcatel	Intertex	Sentito Networks
ATT	IP Unity	Siemens Switzerland
AVAYA	Jasomi Networks	SNOM
Cisco Systems	Lucent Technologies	Sonus Networks
Data Connection Ltd.	MCI	Tecnomen
dynamicsoft	Microsoft	Telecom Italia Lab
Ericsson	Mitel Networks	Ubiquity
Hotsip	Nokia	UTStarcom
Hughes Software Systems	Pingtel	
Indigo Software	Pulver	

Table 1.

Note: A further four companies will shortly join the SIP Forum: 3Com, Netrake, Sleipner SA, and Snowshore Networks.

Future plans

In line with current thinking within the both the SIP Forum and the industry, the Forum is working on refocusing its efforts and resources on highlighting deployments and public interoperability events. The new Forum web site was launched in late fall of 2002 with a better layout and better integration to the products section. New features such as discussion and mailing lists have been added. The web site will be developed and maintained by the IT department of Stockholm University.

A great deal of the SIP Forum's work is dependent on active members, and therefore all members are urged to become more active the SIP Forum work during the coming year.

Continued participation in trade shows will be a feature of the coming year to capitalize on the excellent response to SIP Forum initiatives at a number of events so far in 2003. See Marketing WG Section.

Following the success of the first SIMPLet event, the Forum intends to continue with these events and a second one is being planned.

Board of directors

The SIP Forum Board of Directors serves the organization voluntarily and at no cost to the organization. Each member of the board is elected as a person, not to represent a company. This means that a Director remains on the board even in cases of change of employer in order to maintain continuous operation of the organization.

The elected period is between the annual meetings held in the year indicated in the lists below. The annual meeting is typically held during the fall.

Meetings

During the year the Board of Directors had 10 meetings. All meetings have been telephone meetings. The Board has also met informally during some industry events such as the frequent Voice on the Net conferences.

Directors

The board of directors at the end of the financial year was:

Jörgen Björkner (Chairman)	Hotsip	2002-2004
*Jay Batson	Pingtel	2001-2003
*Trefor Davies	PurplePacket	2001-2003
Robert Sparks	dynamicsoft	2002-2004
Chris Haddock	Ubiquity	2002-2004
*Christian Huitema	Microsoft	2001-2003
David Oran	Cisco	2002-2004
Henry Sinnreich	MCI	2002-2004

* denotes re-election

10

Professional Management

At the end of 2002 Lukas Technologies was appointed to take over the administrative and management functions of the SIP Forum.

SIP Interoperability events (SIPit)

The SIP Forum continued to organize the overall running of the six monthly SIPit events. This year the events were hosted by Hotsip and Mitel respectively have continued to attract increased numbers of participating companies.

The checklist to support the event hosts in organizing those events is in the process of being updated to ensure the events are as successful as possible. Robert Sparks from dynamicsoft is responsible for the SIPit events within the organization.

SIPit 12

The twelfth SIPit event was held February 24th to 28th hosted by Hotsip in Stockholm, Sweden. The level of participation was 120 attendees from 44 companies originating from all over the world.

- SIPit 13: sponsored by Mitel Networks, held at the Brookstreet Hotel in Ottawa, Canada, August 18-22nd, 2003
- The huge power blackout in North America did not slow us down! People arrived late, some luggage and gear later, however LAN was ready for set-up on Sunday and on testing began Monday morning @ 9:00am. 24 hour access to the testing facilities was fantastic, every night there were engineers testing, and the Mitel security guard was kept busy.
- Largest # of companies to date: 61 companies, 72+ teams, 17 countries, 170 engineers
- 50% of attendees/companies were first time attendees -> the prevalence of SIP has increased and supports our view that we are now in a market implementation stage, no longer in the defense of a protocol
- Server infrastructure has been packaged and can be reused for the next SIPit, this will provide a consistent infrastructure for events.
- Mitel invited BCR (Business Communications Review) to meet with some of the attendees outside the testing floor and discuss why their companies attend SIPit event, and interop testing is so important in their go to market strategies. Article to appear in BCR in October.
- Robert Sparks, SIP Forum's SIPit Coordinator presented an IETF update, testing during the week brought forth only one suggested update to the RFC's on Monday - this supports once more the demonstration of moving into the full commercialization of SIP
- Anne L. Coulombe, Mitel's SIPit 13 Organizer also wishes to thank the sponsors: TELUS for a 100MB unencumbered Internet link and 2 x Class-C address; switches/routers from HP for the 500+ IP addresses; a joint Ubiquity-Convedia instant conferencing and click-to-help server; Mitel and Pingtel SIP phones; and a Mitel Networks 3050 as SIP Proxy. The Brookstreet Hotel and Ottawa's Center for Research & Innovation for their support and the talk on "From Beaver Trappers to High-tech, the Story of Ottawa".

Working Groups

The work within SIP Forum is divided into different working groups chartered to focus on a specific task and to come up with a solution to a defined problem. During the last financial year two more working groups have been added to the existing groups launched – Service providers WG and the Certification WG.

Marketing Working Group

The marketing working group has been chartered to develop and manage the marketing of SIP and SIP Forum, including the development of marketing plans, marketing activities and PR activities.

The group is also responsible for endorsements of and participation in relevant industry events, the Forum's newsletter and web site, and steers the overall marketing activities of the Forum.

In the past financial year the group has been responsible for the successful participation in the following events:

- 11 SIP IMS – December 2002, London
- 12 International SIP – January 2003, Paris
- 13 Network and Interop – March 2003, Las Vegas
- 14 Voice on the Net – April 2003, California
- 15 Global Messaging – May 2003, London
- 16 Telecom City – May 2003, Brussels
- 17 SUPERcomm – June 2003, Atlanta
- 18 Voice on the Net – June 2003, London
- 19 Wireless Japan – July 2003, Tokyo
- 20 BroadBand World Forum, September 2003, London

The Forum has fielded a number of panelists and presenters for many of these events, and has set up live interop demos from the exhibition floors. The SUPERdemo during Supercomm was the largest of these with nine participating members. Due to the success of this event, the Forum has been invited to stage a similar display during SUPERcomm Asia in 2004.

The Marketing WG is charged with developing the Forum's new mission statement in consultation with the Forum's board. The new marketing framework will be based on this work.

In collaboration with Perey research the group is currently working on producing an industry 'map' plotting Forum members and illustrating where products sit in the network. The results will be made available to Forum members to be used as marketing collateral.

The group will launch the SIP Forum Success Story Programme in Fall 2003.

The chairman of this working group is Edward Keegan (edkeegan@coditel.net).

SIP Devices Working Group

The WG on SIP Devices of the SIP Forum has had 6,567 reads on the web page since its inception and the following objectives have been met:

1. Assemble a prioritized list of requirements,
2. Informal discussions at the 56 and 57 IETF,
3. Generic Requirements for SIP UAs. An 2nd I-D has been published <http://www.ietf.org/internet-drafts/draft-sinnreich-sipdev-req-01.txt> and discussed on the SIP Devices list and in the IETF on the SIPPING WG mailing list. A dedicated BOF on support for interactive text for the hearing disabled has also taken place at the IETF and will be reflected in this work.
4. Discussions on the mailing list for SIP Devices - done.
5. 2nd draft on generic requirements - done, see item 3.

The SIP Forum Board has decided to support this work with test cases and test tools as the next step. Members of the WG have contributed with the BOD in writing of the RFI and in the evaluation work for the contract on test cases and testing tools.

A 3rd version of the requirements for SIP Devices I-D will be published in 4Q 2003.

The SIP Devices working group is chartered to develop guidelines for SIP device manufacturers by defining recommendations for protocol support, configuration and other functionality.

The chairman of this working group is Henry Sinnreich from MCI (henry.sinnreich@mci.com). The work in this group will probably be migrated into the SIP Certification group that has been formed.

Service Provider Working Group

In response to increased interest in SIP services, the SIP Forum added in 2003 a Service Providers working group, or SP-WG for short. The SP-WG will drive SIP services by focusing on service-related questions such as network architectures, element, network and applications management, billing, numbering plans, peering, operational measurements, service quality and security. SP-WG will also act as a consultative body for questions raised by other working groups.

The SP-WG started its operations in July. Currently the group has 23 members representing wireless and wireline incumbent and competitive service providers from the North America, Europe and Asia.

The work agenda for the group includes defining interconnecting practices for SIP providers and identifying revenue-generating services using SIP.

Membership of the group is limited to service providers.

The Chairman of the group is Manuel Vexler (mvexler@austin.rr.com).

Certification Working Group

The scope of the working group is to investigate the possibilities to develop a SIP product certification program and corresponding test cases to validate compliance to the certification and to ensure interoperability.

The purpose of this certification program is to ensure service level interoperability among different SIP products from different vendors and to make it easier for system integrators to pick standalone products to combine those into a complete service. Since the integration work requires interoperability at both a protocol and functional level, the scope of the working group will be to identify such functional certification/requirements. The test cases defined within the certification program will be of value to vendors of different SIP products since they can use these test cases for their internal product testing and also be referenced in product compliance documents and thereby save time otherwise spent on producing those documents internally. It is also valuable for the SIP network operators that can use the test cases for product evaluation and planning. In addition, compliance to these test cases can give SIP users the confidence that the procured equipment fulfills the defined minimum functionality and interoperates with all other SIP certified equipment and also with his Service Provider.

It is not within the scope of the group to determine how the actual product certification will be performed and who will perform it. The purpose is to define a certification program.

The group produced an RFI for test cases and tools that was granted at the end of Q3 2003.

The chairman of the working group is Subir Saha (ssubir@hss.hns.com).

SIP World Magazine

Plans to publish further issues of SIP World magazine were shelved earlier in 2002 due to the difficulty in funding the magazine by advertising. The SIP Forum is now focusing on placing commissioned or contributed articles to specific magazines.

FIELD OF ACTIVITY

SIP Forum is an international, non-profit association whose mission has been to promote awareness and provide information about the benefits and capabilities made possible by SIP – Session Initiation Protocol. The Forum will shift focus to concentrate resources on deployments based on SIP.

PROPOSED APPROPRIATION OF PROFITS

The board propose that the accumulated profits:

Profit brought forward	954 945
Profit for the year	325 588
	1 280 533

be treated as:

amount to be carried forward	1 280 533
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Information regarding the results and financial position of SIP Forum can be found in the following income statement and balance sheet.

Unless otherwise stated, all amounts are in SEK.

SIP Forum
802410-6299

	020701	020701
INCOME STATEMENT	-030630	-020630
Membership fees	1 110 725	1 164 836
	1 110 725	1 164 836
Operating expenses		
External costs	- 794 634	- 964 659
	- 794 634	- 964 659
Operating profit	316 091	200 177
Income from financial investments		
Interest income	18 820	15 472
Interest expense	- 37	0
Other financial income and expenses	- 4 738	2 606
Profit after financial items	330 136	218 255
Tax on profit for the year	- 4 548	0
Net profit for the year	325 588	218 255

SIP Forum
802410-6299

BALANCE SHEET

030630

020630

ASSETS

Current assets

Current receivables

Receivables from members	428 600	915 460
Prepaid expenses and accrued income	11 514	5 127
	440 114	920 587
Cash and bank	1 895 104	1 286 904

Total current assets **2 335 218** **2 207 491**

TOTAL ASSETS **2 335 218** **2 207 491**

EQUITY AND LIABILITIES

Equity

Unrestricted equity

Profit carried forward	954 945	736 690
Net profit for the year	325 588	218 255
	1 280 533	954 945
Total equity	1 280 533	954 945

Current liabilities

Accounts payable	55 284	0
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Income tax liability		2 953	0
Other liabilities		0	32 007
Accrued expenses and deferred income	1	996 448	1 220 539
		1 054 685	1 252 546
TOTAL EQUITY AND LIABILITIES		2 335 218	2 207 491

Pledged assets None None

Contingent liabilities None None

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802410-6299

NOTES

ACCOUNTING AND VALUATION PRINCIPLES

Applied accounting principles corresponds with the swedish Annual Accounts Act.

The principles are in accordance with previous year.

Receivables have been reported at the amount at which they are expected to be received.

Other assets and liabilities have been reported at acquisition value unless otherwise stated.

Accrual accounting of income and expenditures have been recorded according to generally accepted accounting principles in Sweden.

1 Accrued expenses and deferred income

	2003-06-30	2002-06-30
Deferred membership fees	-907 400	-789 473
Other accrued expenses and deffered income	-89 048	-431 066
	-996 448	-1 220 539

Stockholm in September 2003

Jörgen Björkner

Jay Batson

Trefor Davies

Chris Haddock

Robert Sparks

Christian Huitema

David Oran

Henry Sinnreich

AUDITORS ENDORSEMENT

My audit report was issued on

Erik Åström
Authorized Public Accountant