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PAN ASIA CONSORTIUM TO BUILD INTERNET BACKBONE NETWORK

The three leading Internet service providers in Asia - Internet Initiative Japan (IIJ), Pacific Internet of Singapore and Hongkong Supernet - have joined forces with Sumitomo Corporation to build a high speed Internet backbone network for Asia.

The Internet has rapidly evolved from a US-based research network to become the de facto global information infrastructure. The expansion of commercial services on Internet has been rapid, and nowhere more so than in Asia. Despite the high volume of Internet traffic within Asia, today, most Asian countries connect to the Internet via the US. This US-centric network topology is not conducive to the development of the Internet in Asia. Internet communication between Asian countries now has to be routed via the US, thus incurring unnecessary cost and congestion in trans-Pacific links. A high speed Internet backbone for Asia is overdue.

The new joint venture, Asia Internet Holding (AIH) will have a "distributed hub" system, with Tokyo as the main network hub having very high speed T3 links to the US, and Singapore and Hongkong as regional hubs. This network topology will evolve as appropriate in accordance with traffic demand and the tariff schedules for international leased circuits.

Asia Internet Holding, will be established in Japan next month. With an initial paid up capital of US$6 Million in equal contributions from the four founding general partners, it will build and operate a backbone Internet network for Asia. The backbone will provide a common interface for all Internet service providers in Asian countries to link into Internet, in place of individual connections to the US.

Many multinational corporations operating in Asia are looking upon the Internet as the platform on which to build their own private networks linking offices, factories and staff all over Asia and the world. Asia Internet Holding will work with Internet service providers in Asian countries to serve this market by providing reliable and secured communication via the Internet.

Asia Internet Holding will invite those multinational corporations and Internet service providers making use of its service to invest in the company so as to evolve it into a broadly owned Asian company. International information service providers will also be encouraged to use the AIH infrastructure to reach out to clients throughout Asia.

The four general partners have nominated, or will nominate, two representatives each to the Board of Directors of AIH.

Mr Philip Yeo, Chairman of Sembawang Corporation of Singapore, which owns a controlling interest in Pacific Internet, has been elected the Chairman.

Professor Eugene Wong, Vice-President for Research & Development at the Hong Kong University of Science & Technology, and Mr Yasuo Kimura, Vice President of Sumitomo Corporation, are the Vice-Chairmen.

Mr Kouchi Suzuki, President of Internet Initiative Japan, will assume the position of President and CEO of Asia Internet Holding.

Other directors include Mr Wong Seng Hon, Managing Director of Pacific Internet, and Mr Atsushi Nishijo, Director, General Manager of Media Business Division representing Sumitomo.

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