



DISAGGREGATED OPEN ROUTERS – MARCH 2022

AT&T's DriveNets rollout remains the main event so far, rendering disaggregation incipient

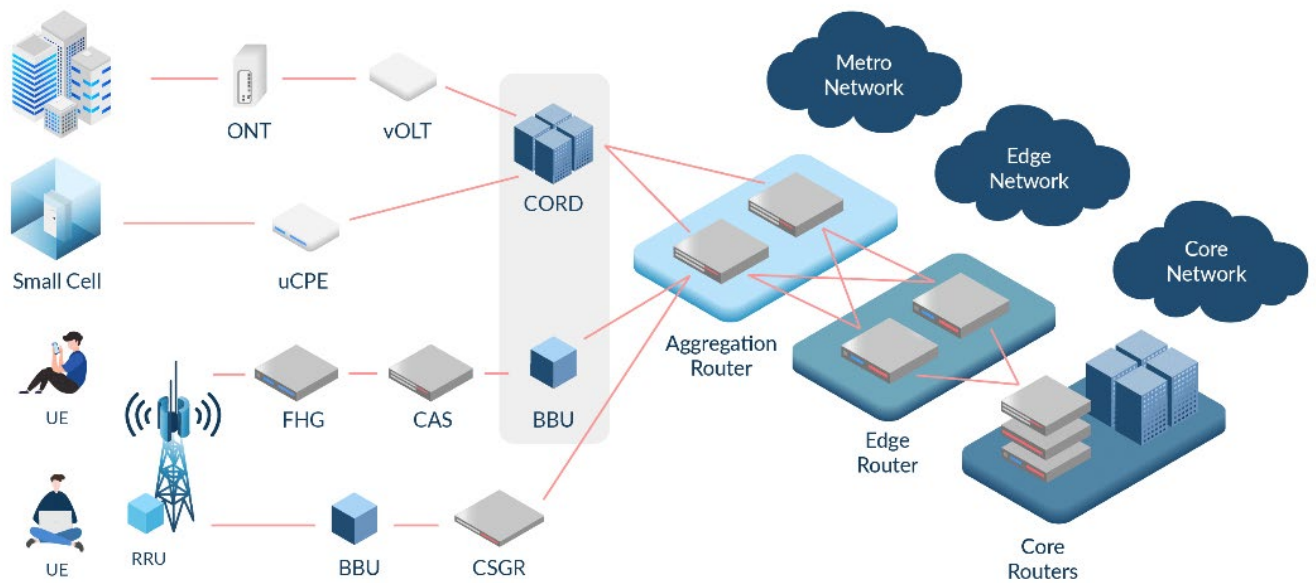


Image source: UfiSpace

Table of Contents

ABSTRACT	3
KEY TAKEAWAYS	4
AT&T REMAINS BY FAR THE CHIEF DRIVER OF THIS INCIPIENT MARKET, PLACING DRIVENETS IN THE DRIVER'S SEAT	5
WITH ITS UNIQUE DDC APPROACH, AT&T MADE THE DOR MARKET!	6
<i>DriveNets is the only vendor to be awarded tip's Software Requirements Compliant Ribbon</i>	<i>7</i>
<i>KDDI might soon become DriveNets's next big customer</i>	<i>7</i>
<i>LG U+ could also be another DriveNets customer</i>	<i>7</i>
THIS IS ALL GREAT NEWS BUT WE NEED MORE THAN AT&T, KDDI AND TIP TO MOVE THE NEEDLE!.....	8
<i>Volta Networks is the first casualty of this incipient market... ..</i>	<i>8</i>
<i>...and Infinera is pulling the plug.....</i>	<i>9</i>
CONSEQUENTLY, THE DOR ECOSYSTEM IS SHRINKING.....	9
<i>Removing DCSGs leads to a tiny roster.....</i>	<i>10</i>
<i>Arrcus shifted its focus to network edge and private wireless networks.....</i>	<i>11</i>
<i>Edgecore Networks is heavily involved in DCSGs and aggregation</i>	<i>11</i>
<i>TIP member Exaware's NOS addresses all router segments</i>	<i>12</i>
<i>IP Infusion's NOS covers all mobile network domains and confirms that DCSGs make up the bulk of activity</i>	<i>13</i>
<i>UfiSpace is in the DDC hardware driver seat</i>	<i>13</i>
THE DISAGGREGATED ROUTER MARKET STRUGGLES TO TAKE OFF	14
<i>Meanwhile, CSPs are cautiously optimistic about router disaggregation but have yet to see more maturity and the full benefits.....</i>	<i>14</i>
<i>Lowest cost possible for high performing disaggregated routers is what CSPs seek the most.....</i>	<i>15</i>
<i>This is a no brainer: Lower hardware cost leads to lower capex.....</i>	<i>15</i>
<i>But booked as opex, software can drive total cost up</i>	<i>15</i>
<i>Unfazed by potentially higher opex, AT&T took the plunge anyway.....</i>	<i>15</i>
<i>OAM, procurement, and support are haunting CSPs.....</i>	<i>16</i>
<i>Our forecast model starts with our DCSG one and adds aggregation and core routers to the mix.....</i>	<i>16</i>
<i>The access market is the low hanging fruit with the largest volumes.....</i>	<i>17</i>
<i>In China's absence, AT&T puts North America in the DOR market driver's seat</i>	<i>18</i>
<i>Insofar, 2022 looks like a carbon copy of 2021</i>	<i>18</i>
<i>At this pace, the long-term forecast points to a DOR penetration of the traditional router market of 6%.....</i>	<i>19</i>
<i>The disaggregated aggregation router market is the largest opportunity.....</i>	<i>19</i>
<i>The disaggregated core router segment is the high-end market.....</i>	<i>20</i>
BOTTOM LINE: DISAGGREGATION HAS JUST STARTED AND IS HERE TO STAY BUT REQUIRES MORE CSPs TO TAKE THE PLUNGE AND DRIVE VOLUMES	20

Abstract

This report explores the emergence of the Disaggregated Open Routers (DOR) market. Disaggregated open routers are white-box routers based on separated white box hardware and software with cloud enabled software functions for existing 2G/3G/4G and future 5G network architectures. The report analyzes the disaggregated open routers' (aggregation and core) architectures and implementations in wireless infrastructure, including the emerging vendor ecosystem, and tracks white box hardware units and sales, and software sales, all broken down by region including North America, Europe Middle East Africa, Asia Pacific, and Caribbean Latin America. It includes the total number of cell sites worldwide and a 5-year market forecast. As this market is just emerging, it is too early to publish vendor market shares.