Caspian Networks Announces Core Router Apeiro

Caspian Networks of San Jose, California announced the general availability of the Apeiro router on 9 April 2003. Apeiro is a flow-based router designed to achieve asynchronous transfer mode (ATM)-equivalent quality of service (QOS) over IP networks. This router is intended to compete for market share against incumbents Juniper and Cisco in the service provider core network environment. List price of an entry-level Apeiro starts at $110,000.

Caspian’s Apeiro differentiates itself with features in its architecture, which manage each flow of traffic over the IP network separately, delivering the level of QOS offered by ATM networks today. The distributed design means that with the addition of a line card it increases capacity in routing, forwarding, hardware and management. This is analogous to having a router in each line card.

Along with the product announcement, Caspian introduced "Caspian CORE" (Capital expenditure/Operating expenditure Reduction Enhancement). Caspian CORE is a trade-up program that allows network service providers to trade in existing routers or ATM switches to receive credit toward purchases of Caspian Apeiro.

Gartner Dataquest Analysis

Competition in the service provider core router market is becoming increasingly crowded with the introduction of two new router vendors just this week. It was unusual that Caspian did not mention any customers or lab trials in its announcement as their competition, Procket, did. The worldwide service provider router market is projected to be flat to slightly up in 2003. Cisco and Juniper already own 85 percent of this market. Capturing service providers’ mind share and successfully competing for the available capital expenditure will be Caspian’s next challenge.

The trade-in incentive program represents an interesting approach to lure the service providers. Service providers traditionally place reliability and dependability as most important, particularly in the core routers serving their backbone of the network. To convince a service provider to forgo a reliable, proven solution requires more than monetary incentives. The success of CORE remains to be seen.

Table 1 lists some of the features of the recently announced Caspian and Procket core routers.
Table 1
Core Routers Features

<table>
<thead>
<tr>
<th></th>
<th>Caspian Apeiro</th>
<th>Procket Pro8812</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Switching Capacity (Gbps)</td>
<td>720</td>
<td>960</td>
</tr>
<tr>
<td>Forwarding Rate (Million Packets/Sec.)</td>
<td>-</td>
<td>1,200</td>
</tr>
<tr>
<td>Chassis per Telco Rack</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Available OC-192c Ports</td>
<td>36</td>
<td>96</td>
</tr>
<tr>
<td>Available OC-48c Ports</td>
<td>144</td>
<td>384</td>
</tr>
</tbody>
</table>

Source: Gartner Dataquest (April 2003)

Forwarding rates for the Apeiro product from Caspian were not available, suggesting perhaps system performance metrics and port densities have yet to be calibrated. Three Apeiro chassis will fit in a standard 7-foot telco rack, claiming more port density per floor space.

Caspian has many challenges ahead as it tries to compete for a piece of the service provider core market. Lab trials at major carriers and customer endorsements are clear requirements for entry into the market. Caspian lacks the funding and relationships with carriers that Procket has successfully already acquired. Gartner Dataquest predicts that the road ahead for Caspian will be tough, trying to stay afloat in an already down market with a new product will be quite a challenge to survive.

*By Lily Yu and Jennifer Liscom*
This document has been published to the following Marketplace codes:

TELC-WW-DA-0154

For More Information...
In North America and Latin America: +1-203-316-1111
In Europe, the Middle East and Africa: +44-1784-268819
In Asia/Pacific: +61-7-3405-2582
In Japan: +81-3-3481-3670
Worldwide via gartner.com: www.gartner.com

The content herein is often based on late-breaking events whose sources are believed to be reliable. Gartner disclaims all warranties as to the accuracy, completeness or adequacy of the information. Gartner shall have no liability for errors, omissions or inadequacies in the information contained herein or for interpretations thereof. The conclusions, projections and recommendations represent Gartner's initial analysis. As a result, our positions are subject to refinements or major changes as Gartner analysts gather more information and perform further analysis. Entire contents © 2003 Gartner, Inc. and/or its Affiliates. All rights reserved. Reproduction of this publication in any form without prior written permission is forbidden.