

# Network Services Transactions

We are zealous advocates for purchasers of telecommunications and network-related services. A focus of our practice is negotiating telecom service agreements for enterprise customers, including over half of the Fortune 100. In partnership with our consulting affiliate, TechCaliber Consulting (TC2), we provide clients with the legal and financial expertise they need to construct cutting-edge telecom service contracts, starting with RFP preparation and continuing through contract execution, implementation, and compliance.

## Voice and Data Network Services

LB3's lawyers pioneered the negotiation of custom network service agreements and other complex telecommunications network transactions that typically involve a combination of services such as domestic and international voice, dedicated access, private line, teleconferencing, DWDM, Ethernet, MPLS, remote access, and IP-based transport. Today we develop telecom procurement strategies; define vendor selection criteria, evaluate proposals; and negotiate agreements that allow our clients to seize the opportunities presented by the changing technology and supplier landscape.

Our experience includes:

- Representing many of the nation's largest enterprise customers in the negotiation of agreements for a wide range of services, including voice and data services with interexchange carriers such as AT&T, Sprint and Verizon and wireless voice and data services with all of the major carriers.
- Assisting enterprise customers in dealing with the new megacarriers: AT&T (AT&T IXC, SBC and Bell South), Verizon and Sprint by developing new contracting strategies and contract documents.
- Representing the City of New York in the negotiation of path breaking local service agreements with Verizon and AT&T.
- Assisting organizations in the insurance, health care, hospitality, and retail sectors in the negotiation of consortium purchases under which participants pool their buying power in local, long distance, and Internet services.
- Negotiating and arbitrating interconnection arrangements with interexchange and incumbent local exchange carriers on behalf of competitive providers of local telecommunications.

## Internet and Other IP Transactions

LB3 has long assisted clients in procuring Internet access and related capabilities to support their business requirements, and we have extensive experience in drafting and negotiating complex inter/intra/extranet

development transactions. In recent years, the spread of IP-based technology has spawned a variety of new services, ranging from managed security to burstable capacity Internet access to Internet Protocol multicasting, IP-Virtual Private Networks ("VPNs") for remote and dedicated access, and now voice-over-Internet-protocol (VoIP) services. As the industry evolves, clients seek to optimize and secure their data resources, digital SIP-based media and content management. In these areas, LB3 has taken the lead in developing flexible contract structures that accommodate technology migration and minimize the effects of adverse market developments. We focus on getting the services specifications and terms that clients need, developing creative legal frameworks to support business process and information technology requirements.

## Global Sourcing

The markets for international and overseas telecommunications, network, and IT services offer dynamism and unique operational and cost-savings opportunities for multinational enterprises. They also offer a raft of sourcing, legal, and operational challenges.

Since the firm's inception, LB3 lawyers have helped clients navigate the ever-changing markets for these services and assess changing technologies, service offerings, providers and provider capabilities. We have extensive, tested experience negotiating global communications, managed services, and other technology transactions for sophisticated financial services, hospitality, shipping, logistics and carriage services, and pharmaceutical, automotive, and other manufacturing clients. We work closely with clients' in-house and outside procurement, technical, tax, human resources, and financial professionals to identify and solve regulatory, financial, operational, data privacy and security, and human resources issues that are often critical to the success of international transactions. We also draw upon our global network of advisors when specialized or in-country expertise is needed to augment our clients' resources.

To each transaction, we bring our broad knowledge of service provider reach and practices, the hands-on involvement and expertise of the firm's partners, an unwavering focus on our clients' objectives and the most effective means to achieve them, a dedication to quality, and a commitment to efficient and cost-effective staffing.

## Local Services

Local services (PRI, PBX, local calling) used to be one of the most expensive and challenging parts of telecom procurement. While much has changed, the challenging part most certainly has not.

The use of traditional local services has declined dramatically - fax lines replaced by internet connections for email, local calling supplanted by mobile phones and SIP Trunking and broadband solutions, and to many enterprises PBXs are antiquated machines that take up too much room and are on end of life. However, local services remain an important part of the enterprise portfolio, and many of those PBXs are recently replaced IP-PBXs that provide essential switching between voice over IP (VoIP) users and plain old telephone lines (POTS). Enterprises retain local services, albeit in smaller amounts, at almost every location. In addition to POTs calling, they are used for security facilities and emergency calling.

Carriers are torn between abandoning local services (which are expensive to maintain) and losing the revenues

associated with local services. This creates a complicated contracting environment where customers must balance carrier contracts that contain commitments that tie their hands as they try to move to SIP and mobility solutions, and contain rights for the carrier to disconnect on very short notice. Also complicating local services is the regulatory overlay that still impacts local Services in many jurisdictions. Our knowledge and experience dealing with these deals, and the regulatory underpinnings of local service, help us work with enterprise customer to negotiate contracts that minimize disruption and maximize flexibility and contractual protections.