## DE-CIX

Where networks meet

## Interconnecting IXPs: pros and cons

2011-11-29 ENOG 2

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Agenda

- Motivation
- Definition of an IXP
- Examples of Interconnections
- Reseller Programs
- Summary

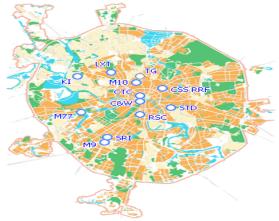


- Reseller Programs at IXP are a hype nowadays
- Panel discussion at 19<sup>th</sup> Euro-IX forum in October 2011 in Lyon
- Start a discussion on the nature of IXP

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## Definition of an IXP

- (distributed) Layer 2 infrastructure under a single administrative and technical control
- Purpose is to facilitate (settlement free) peering between ISPs (in a broadest sense. I.e. everyone that does have an ASN)
- The diameter (direct reach with own equipment) depends on the geographic location of the IXP
  - LINX e.g. 50km
  - MSK-IX e.g. 30km
  - DE-CIX e.g. 15km



Value of an IXP / Critical mass / Gravity

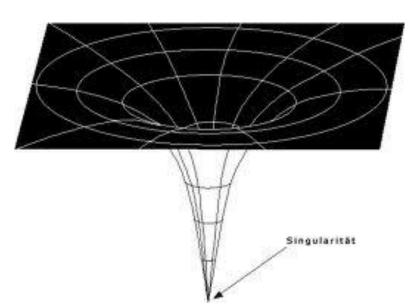
- Assumptions
  - next best alternative for peering is buying transit
  - Transit prices range from 1€/Mbps 5€/Mbps
  - Simplified model (only IXP fees vs. transit)
- $Cost_{IXP} = sum (P_i^*C_i)$ 
  - P<sub>i</sub> is the number of Ports of Speed i
  - C<sub>i</sub> is the cost of a Port of Speed i
  - Cost<sub>DE-CIX</sub> is ~ 1.3 Mio €
- Value<sub>IXP</sub> = Peaktraffic \* Cost of Transit
  - Value<sub>DE-CIX</sub> is ~ 3.5 Mio €
- Value/Cost ratio: ValueIXP/CostIXP
  - DE-CIX: 2.7

Value of an IXP / critical mass / gravity

IXP	#customer	Traffic (Gbps)	Traffic/customer
DE-CIX	408	1700	4.17
AMS-IX	466	1405	3.02
LINX	403	1132	2.81
MSK-IX	344	785	2.28
PLIX	193	167	0.87
France-IX	121	80	0.66
NL-ix	263	143	0.54
SwissIX	140	35	0.25

Value of an IXP /critical mass /gravity

- Each IXP tries to increase the critical mass / value according to its own metrics
  - Amount of traffic
  - Number of customers
  - Number of prefixes
- The better the gravity the more customers
- Like a party: the more guests there are, the more will come

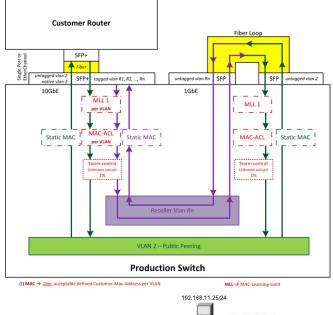


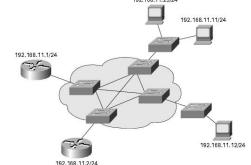
Technically interconnecting IXPs

- Simplest approach is to create a single broadcast domain
  - Being under single administration or not
- Customers on IXP<sub>1</sub> is able to peer with all customers at IXP<sub>2</sub> and vice versa
- If under different administration IXP<sub>1</sub> and IXP<sub>2</sub> have to agree on clear interfaces between the bigger IXP and create common procedures to resolve issues

Technically interconnecting IXPs

- Only using customer base at each IXP
- Using VPLS or Vlan technologies to hand off each customer on a single "adminstrative" port though using bigger pipes to interconnect
- VPLS interconnection became attractive recently when IXPs moved to VPLS for the own infrastructure
- Vlan interconnect is around for years





Examples of Interconnections (Lyonix – Topix)

- Lyonix (Lyon, France) and Topix (Turin, Italy) are fully interconnected to each other (1Gbps)
- Costs are shared among each other

- Purpose is also to develop the region
- Each customer of Lyonix is able to become a customer of Topix and vice versa
- No price reductions

Examples of Interconnections (InterLAN – BalkanIX)

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 BalkanIX (Sofia, Bulgaria) is connected to InterLAN (Bucharest, Romania) via 10Gbps

- Technically BalkanIX is putting a switch in a colocation facility in Bucharest
- BalkanIX customers are not paying for using InterLAN services

Examples of Interconnecctions (France-IX – SFINX)

- France-IX (Paris, France) and SFINX (Paris, France) are interconnected
- Located in some same colocation in Paris (i.e. local loops only)
- Free of charge, but limited to a certain bandwidth
- If more bandwidth is needed you have to join the other IXP

Reseller Programs

- Using VPLS in the IXP network facilitates reseller programs
  - Use one 10Gbps port to connect lots of (small) customers
- Other (smaller?) IXP seem to be partners of first choice
  - Do have customer relation already
  - Connection to IXP is physically established
  - But is this win/win?
- Business for carriers who are connected to lots of IXP



- Leave your home turf (i.e. go beyond your diameter)
  - Your customer carriers will lose revenue on local backhaul
- If you run several IXP, don't interconnect them
  - You turn from an IXP to carrier / ISP



- Reseller/partner programs does not really mean interconnecting IXP but using synergies
- Interconnecting smaller IXP can make sense to gain more critical mass / better gravity
- The "P" in IXP stands for "point" ③

Thank you

Join DE-CIX now!

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