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### **Nortel acquires Novera Optics and enter the WDM-PON market**

Nortel acquires Novera Optics, gaining IPR to WDM PON technology for a bargain price of \$16 million. Nortel will be working on modulation formats and athermalic AWG couplers as a means to drive down the cost of WDM PON. BT raised a lot of interest in WDM PON about 2.5 years ago and that helped kick off a lot of subsequent activity. KT has since deployed more than 150,000 subscriber lines using with Novera Optics WDM PON platform, and Telecom Italia did trials in Rome. NTT has also expressed interest, and Verizon Business has echoed BT's thoughts about the value of the distance capabilities WDM can provide.

But at the time, the cost of the technology was still prohibitive, which led to development of scalability alternatives for GPON like Fujitsu's hybrid GPON architecture leveraging CWDM SFPs and couplers. But strong undercurrent of interest in the topic of WDM PON remained and has been resurfacing now as advances in technology are potentially driving costs down to make WDM PON commercially viable.

WDM PON not only provides highly scalable access bandwidth, but it could also potentially enable operators to streamline the access network and cut costs significantly by reducing a lot of smaller central offices over time. And it could give vendors with strengths in optics but less strengths in broadband access a potential way to gain a foothold in this market in the not too distant future. So WDM PON at least holds the potential future promise to help shake up the competitive playing field for both operators and vendors alike. Expect more competition in WDM PON now as commercial viability comes closer within reach.

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