



# Agenda

Introduction of iTalk

Introduction of VoIP

VoIP in Rural Areas



# iTalk Global Communications, Inc.

US Company

Survivor of Starups



Connected with over 30 major carriers worldwide

Expanding Service from Whole Sale to Retail



# What is VoIP?

VoIP – Voice over Internet Protocol

*VoIP is the digital revolution applied to voice telecommunications. It is a data technology that transports voice as individual data packets enabling superior functionality and economics compared to the the old circuit switching technology of the PSTN.*



# Development of VoIP over Past Years

1997 - First VoIP international call from US FCC to Israel over VoIP

1998 - First VoIP call from US to China over JiTong's network

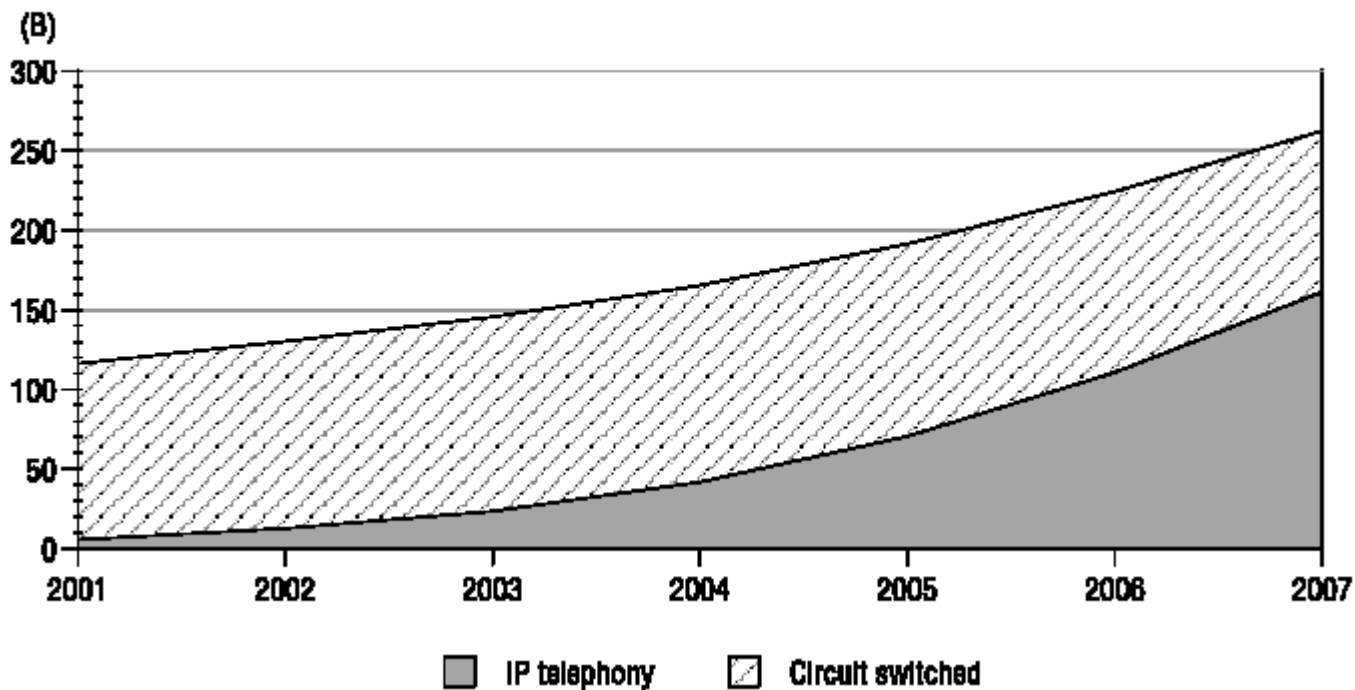
2000 - Chinese carriers started offering VoIP Service

2003 - VoIP service starts to replace traditional PSTN telephone in residential home



# Migration from PSTN to VoIP

Worldwide IP Telephony and Circuit-Switched Cross-Border Minutes of Use, 2001–2007





# VoIP Service from Whole Sale to Retail

By the end of last year, no major US telecom carriers are offering VoIP residential service, except few small startup companies such as Vonage, VoicePulse, Packet 8.

This year, many major US carriers will launch VoIP residential service, such as AT&T, Veirzon, Time Warner, Comcast, Cablevision. AT&T just announced last Tuesday.



## Feathers of VoIP Retail Service

Offers all current PSTN telephone service feathers

Offers additional feathers (one number forwarding,  
Mobile capability)

Low cost (low rate to PSTN, free to in-network users)

More feathers to come (WiFi to replace mobile service)



# Growth of VoIP Retail in US

Research firm InStat/MDR estimates that the number of residential VOIP subscribers will rise from about 135,000 at the end of 2003 to 3.9 million by the end of 2007 in USA (almost 30 times in 4 year).

The quality has been proved and accepted by telecom industry

Environment is ready due to broader coverage and lower cost

It becomes hot topic in US telecommunication industry





# Successful Story

Yahoo BB in Japan

Three months to reach 2.6 millions customers

Few months to become major telecom player in JP



# VoIP in Rural Areas?

Possible?

No one is doing it now

Bright Future



## Why it is possible?

Low cost comparing building a traditional PSTN or Mobile network

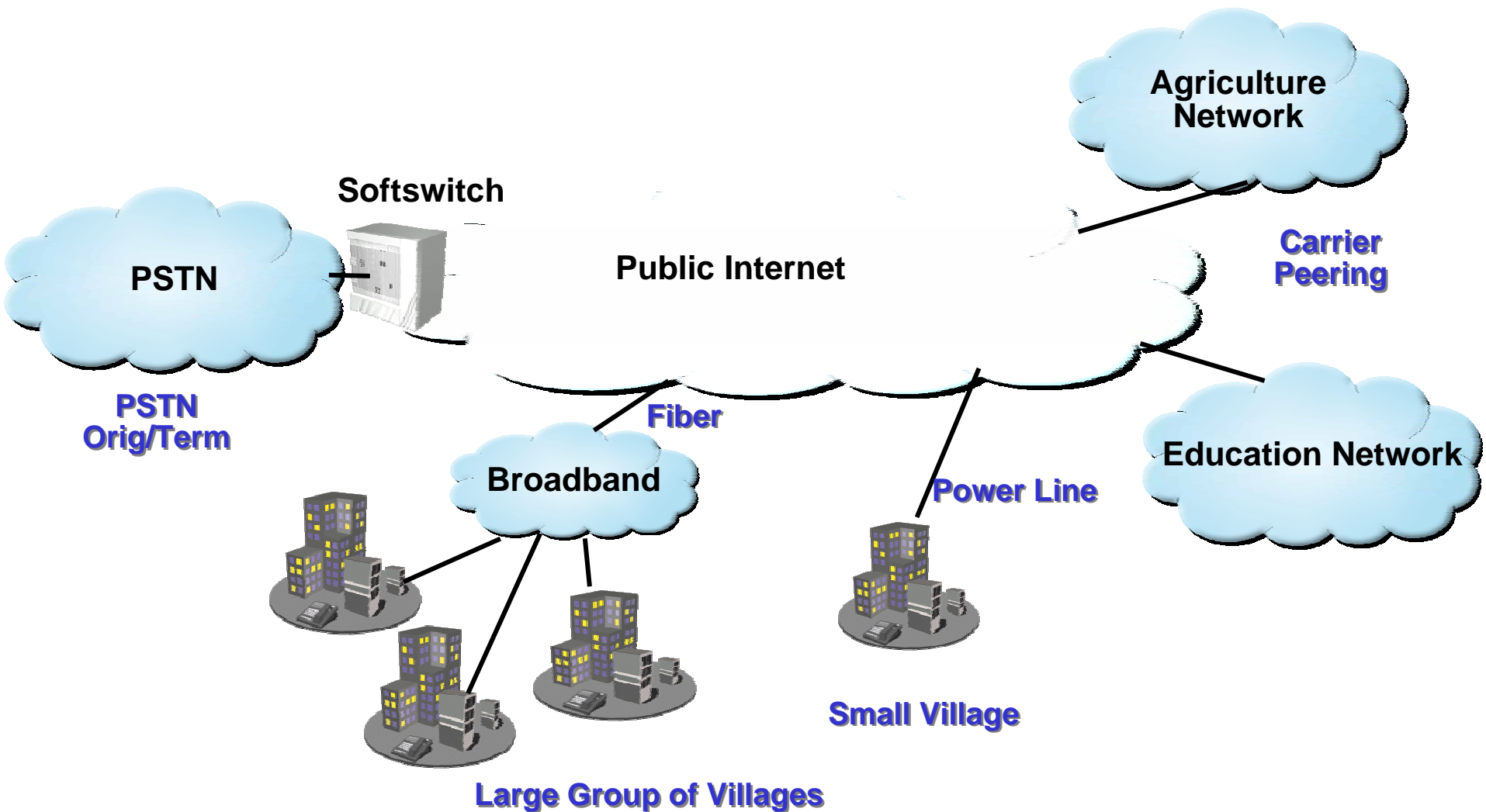
Utilize fast developed technology such as using power line instead of fiber

WiFi and wireless network

More feathers now, and lot more to come



# Network Diagram





# How to Use the Service

English text here

Chinese text here

English text here

Chinese text here

English text here

Chinese text here



# What is available Now?

VoIP call to replace regular telephone service

Teleconference

Video Conference



# What will be available soon?

WiFi – End User can carry the phone with WiFi is available

Access to Internet to down load information

Update and Schedule



# What will be available in future?

Who Knows?

Will replace Mobile Network?

Will become tool to buy and sell?

Will become tool for entertainment?





## Ultimate Goal

Bring low cost, more feathers communication network to Rural areas

Will improve and increase productivities of Rural areas

To increase effectiveness of state planning



## What is iTalk doing in this area?

Launch VoIP retail business in US, Canada, Japan and Europe for Chinese people

Looking for a relationship with Chinese telecom provider to increase network coverage

Working with universities in China to create education network



# Research, Development and Manufacture

We partner with Xunfeng to develop and manufacture VoIP device for China and international market

Work with Xunfeng to design and develop VoIP chip with more features

Pursuing the relationship with China Academy of telecommunication to develop new products for China market (maybe for Rural areas market too)



## Future of VoIP in Rural Area?

Will China be the first country to utilize VoIP technology in rural areas?

Would it be attractive to any investors in additional government and international organization such as world bank?

Would people in Rural areas are ready for the technology?