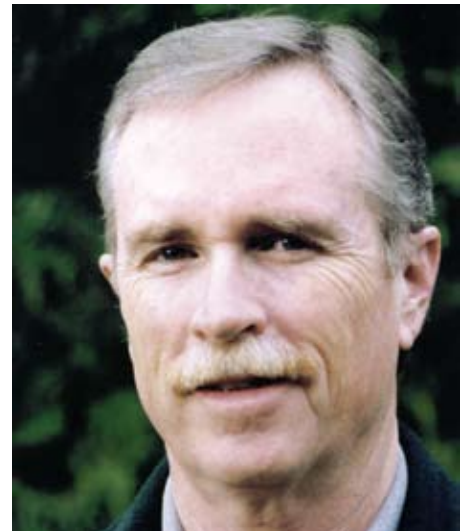


Timothy Perrin



# Two Tin Cans *and a String:* Voiceover IP

I talked to my dad on the telephone one night last winter. That would be no big deal except that . . .

1. I was in Spain and he was in Oregon.
2. It cost me only 2.6¢ a minute.
3. Oh, yeah. I forgot to mention I wasn't using a telephone.

In my case, I “dialed” the number using the keys on my laptop computer as it was connected to a high-speed internet link. A few seconds later, the phone at my parents’ house began to ring. When my father picked up the telephone, for all he knew I was next door, not nine time zones away. I spoke using the microphone built into my computer and listened using the built-in speakers.

I was using a free computer program called Skype that uses “Voiceover IP” or VoIP technology to send audio signals over the Internet. (IP stands for Internet protocol.) After I downloaded and installed Skype, I purchased a \$15 long-distance credit and started calling. Rates to virtually every place I would want to call—Europe, China, North America—are the same 2.6¢ a minute. That’s certainly better than the best rate I’ve seen from any of the long

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distance companies. Rates to other destinations are equally advantageous.

Now that Terre and I are home, we’ve decided to dump the Telco and go with Skype and a great cell plan. It should save us almost \$400 a year. Here’s how the numbers add up. Before we left last summer, we were paying the following amounts.

\$ 43.93	Telus
13.97	Rogers Cellular (Low user plan: 50 anytime minutes per month, then 25¢ per minute. We rarely went over. The most we ever paid was just over \$17 one month.)
19.06	Average long distance cost over the previous year. That’s a \$2.50 system access fee and 10¢ per minute for an average of 141 minutes, plus taxes.
76.96	Monthly total
<b>\$ 923.52</b>	<b>Annual total</b>

But, our favourite . . .

\$0.00	Telus
37.55	Bell Mobility (200 daytime minutes per month, free nights and weekends: 6 PM to 8 AM)
3.67	141 minutes at 2.6¢ per minute
41.22	Monthly total
\$494.64	Annual total of monthly fees
48.00	Annual fee for SkypeIn number (US\$40)
<b>\$542.64</b>	<b>Annual total</b>
<b>\$388.88</b>	<b>ANNUAL SAVINGS</b>

### Incoming Calls

For incoming calls, Skype offers the SkypeIn service. This costs about \$4 a month and gives you a regular telephone number. You can actually have up to 10 numbers in the US, UK, Sweden, France, Denmark, Finland, Poland, and Hong Kong, but you pay for each one. Unfortunately, at the time I’m writing this, they don’t offer any Canadian numbers so I took one in Seattle.

With a SkypeIn number, you must leave a computer on and running Skype all the time. Then, when someone calls any one of your numbers, your computer “rings.” (It

actually sounds like the ringer in an old phone with a bell ringer.)

### Local Calls

Okay, all that is great for making outgoing long distance calls and for receiving calls, but what about calls down the street?

Local calls remain a problem. Skype treats all calls the same. So, a call next door is the same price as a call to China: 2.6¢ a minute.

But do the math. For that \$388 I'm saving, I can make more than 248 hours of calls on Skype. So, I use the cell phone evenings and weekends and Skype during the day, when I have to pay for cell time.

But when you think about it, most of your calls undoubtedly go to the same people—you family and friends. Get them on Skype—or Yahoo Messenger or MSN Messenger—and you can talk to them anywhere in the world for FREE.

Skype is available for Windows, the Macintosh, Linux, even your Pocket PC. But there are a lot of other computer-based VoIP products available. Just do an Internet search for “free VoIP” and you’ll find several.

But until the end of 2006, the deal is even better.

As a special promotion, until December 31, Skype is offering free calls to regular telephones in the US and Canada.

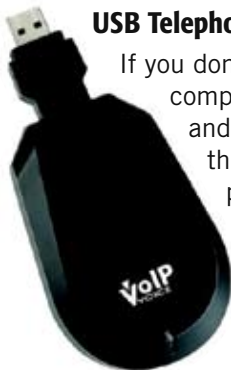
Now that's a deal—truly free long distance.



Trust me on this one. As they say, it “just works.” It's easy. It's really free. The calls are encrypted and secure.

And did I mention, it's free!

### USB Telephones



If you don't want to use your computer with a microphone and a headset or speakers, there are telephones that plug into a USB port on your computer and function just like a regular telephone.

I picked up a product called a Cyberphone W from

VoIPVoice.com. It plugs into a USB port on my computer and integrates with Skype. It's just like having a regular phone on my desk.



The same company also makes an even cooler product called the UConnect that lets you use your regular telephones and even integrate Skype with your existing telephone service. We've plugged this unit into my wife's computer, then plugged it into the house's phone grid and all the phone jacks in the house now work.

**Trust me on this one. As they say, it “just works.” It's easy. It's really free. The calls are encrypted and secure.**

### VoIP Package Services

A number of companies are now offering VoIP services that don't involve your PC. You may have even been solicited by one of them such as Vonage or Rogers at Home.

The advantage of such a system is that it does not require the intervention of a computer. You simply plug a VoIP-equipped telephone directly into your high-speed Internet connection and you're in business. The disadvantages are, first, that hardware-based VoIP systems are most costly than the free software-based systems and, second, they require the power to be on. If the

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lights go out, so does your telephone, unless you've got backup power.

Vonage offers business services running from \$56 a month for a voice line and a fax line with 1500 minutes of North American calling up to \$70 a month for the two lines with unlimited calls in North America.

Home services are \$20 a month (500 minutes anywhere in Canada and the US, then 4.5¢ per minute), or \$40 a month (unlimited calls anywhere in North America). If you average less than 944 minutes of calling per month—that's 15.75 hours—then the \$20 plan is the cheaper of the two.

Other providers are comparably priced. I'd suggest experimenting with a service like Skype first to see how VoIP works for you. It's a technology that is working for me.

\* \* \*

Internet telephony is part of the much-heralded “convergence” of technologies we've been hearing about for a number of years: telephone calls over the Internet, movies over the telephone system, Internet delivery via your satellite TV system, and so on. In theory, it won't matter which set of wires you use to get the signals. Eventually cable companies, cell phone companies, telcos, and satellite companies will all be pretty much the same.

Let's just hope the little guys who constantly drive the innovations—the folks who invent software like Skype—keep pushing the envelope on what is possible. ▲

**Tim Perrin has been writing this column since 1993. For the first 5 years, he was a lawyer in Vancouver and the BC Interior, then left the profession in 1998 to write and teach. Now he's returning to law with the firm of Bassett & Co. in Westbank, BC.**

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