

Episode 108 | ☕ Wake up and smell the BSS with Ray Le Maistre from TelecomTV ☕
Ray Le Maistre, TelecomTV
Released February 4, 2025

- DR: [00:00] Your report revealed that 52% of respondents think AI will help but isn't totally necessary. I was completely surprised with that when I saw the results of the report.
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- DR: [00:18] Wow.
- Ray Le Maistre: [00:18] You know, it depends who you talk to in the industry about how they're thinking about AI and where they are with it. You do get slightly different views. I think when we do ask the same question again later this year, goodness me, I hope we get a different response.
- Announcer: [00:37] This is "Telco in 20," a podcast that helps telco execs achieve a competitive advantage with AI and the public cloud. It is hosted by Danielle Rios, also known as DR. Today we're talking to Ray Le Maistre, editorial director at TelecomTV.
- DR: [00:52] Hi guys. I'm DR. You know what I love about telco? Even though it's a massive \$2 trillion industry, it's actually a pretty small world when it comes to the people in it. You can really get to know the key executives and thought leaders who are shaping telco's future. One organization that's been bringing these leaders together is TelecomTV. For years, it's been elevating the industry conversation, gathering executives and visionaries to talk about big strategic issues.
- [01:20] About 18 months ago, TelecomTV took it to the next level by creating the DSP Leaders Council. It handpicked about a hundred people, telco execs, vendors, analysts, and industry experts, to serve as a brain trust for the most pressing questions we're facing today. I'm lucky to count myself as a member and weigh in regularly on how we can tackle operators' biggest challenges. And the council's input helps TelecomTV create insightful reports on the state of the industry.
- [01:48] Recently, TelecomTV put together a DSP Leaders report on a topic near and dear to my heart, digital support systems, the next evolution of traditional OSS and BSS solutions. Today I'm talking with TelecomTV's editorial director, Ray Le Maistre, who is the driving force behind the council and the reports. We're going to dig into the DSS report and break down why telcos are looking to startups for BSS solutions, how waiting to

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be ready for DSS transformation may be the wrong approach, and how surprised we both were that telcos don't think AI is a slam dunk no-brainer. So let's take 20.

[02:27] Ray Le Maistre is editorial director at TelecomTV. Hi, Ray. Welcome to "Telco in 20."

Ray Le Maistre:

[02:33] Hey, DR. How are you? Good to be here. Thank you for having me on your podcast.

DR:

[02:37] I'm so excited to have you on the podcast. This is going to be so fun because this time I get to interview you. So everyone knows you, you're telco-famous, you've been a journalist in the industry for nearly 30 years, and currently you're the editorial director of TelecomTV. But you also oversee their DSP Leaders Council that has nearly 100 members from around the industry, including me. So to start, what's this council all about?

Ray Le Maistre:

[03:02] Okay, yes, TelecomTV has long had a focus on the evolution of communication service providers, CSPs, to digital service providers, DSPs, and we've now got a strategy that's totally focused on the development of those digital service providers. And we've also over the years engaged with a lot of high-ranking telecom executives, but more on an ongoing ad hoc basis, so I guess about 14, 15 months ago, we decided to formalize the relationships we have with the key industry executives to create the DSP Leaders Council to give us a body of movers and shakers that we could turn to for insights, advice, involvement in our digital and in-person events. And like you said, we've now got almost a hundred councilors, and a few times a year, we turn to those council members only for some survey insights, which is something we've just done for our annual Industry Vision Report.

[04:03] So it's really having a body of people that we can turn to and engage with on a regular basis, and it's a great bunch of people spread across operators, vendors, analysts, and people who I guess you would regard as industry watchers, and they give us a really good breadth of insight and vision into what's going on in the industry.

DR:

[04:22] Yeah, I'm very proud to be a member and I always look forward to the surveys that come out. And so you just mentioned the reports that you put together as part of these surveys of the council, and recently you published a report

called Digital Support Systems: The Evolution of OSS and BSS. And it showed in that report that more than 9 out of 10 respondents recognize the need to replace their legacy OSS/BSS applications, and 50% of them are looking to startups for new BSS solutions, and so as someone who leads a software startup in the telco industry, I was really happy to see that result. But my question to you is, if this is true, don't you think we'd see a more vibrant ecosystem of telco startups or significant venture capital investment into our industry?

Ray Le Maistre:

[05:08] Well, I mean, logically that would be the case. I think it's worth pointing out that startups in this sector and investment in telecom software used to be a thing about 30 years ago and about 20 years ago it largely dried up. And of course, these days, if anybody is investing in telecom, they're more investing in the adjacencies. So nearly all of the money now is going into AI, and that's in general across the board, but also in tech, either AI or data centers, which, of course, is very closely related, and that's where the big bucks are going. That's great for DSPs, of course.

DR:

[05:46] Yeah.

Ray Le Maistre:

[05:46] So why isn't there more activity? I do wonder in our survey whether people thought of startups as being companies that would be new to them in helping them with their OSS and BSS requirements, and I think that what we're going to see is companies engaging with new names, different companies that maybe have been around for a while in adjacencies. So they're bringing their IT smarts to the telecom sector, and that will bring new names in and lead to new engagements, and I would imagine quite a few of those new names and new companies will come from areas where there's already been some AI expertise and AI experience. And I'm not just saying this. I think it will also benefit the few companies that have bothered to focus on and invest in this sector like you have yourself, and I think that'll probably play out pretty well because as we know, companies that have been around for a long time can be a bit reluctant to change even if their customers are telling them to do so.

DR:

[06:46] Yeah, as a startup, I can't tell you how hard it is to break into this industry. All of the processes are really geared towards reselecting long-in-the-tooth incumbent vendors, the RFPs they put out, the criteria that they're using for selection. Just the other day, we were with a telco, and they really liked our technology, and their reason for not selecting us and shortlisting

us was our infancy. But on the other side, they're like, "We love you for your innovation." It's a little bit of a chicken-and-egg guise, right? Like I don't know how I start to get adoption and get those reps in that you guys are all evaluating us on and, at the same time, you guys love the innovation. So it's been a little bit frustrating, and again, I don't think I'm the only startup that's ever complained about this in telco. When it comes down to it, it's a little bit like, well, you never get fired for picking Ericsson, and I'm like, "Okay."

Ray Le Maistre: [07:39] Absolutely. I mean, better the devil you know does play a big role in this industry as do procurement processes, which are really frustrating for people inside those companies that are wanting to do something new as well. So as with everything, it's kind of a jigsaw puzzle and you have to have all the pieces together to make things work, and it's really hard to get that big picture together.

DR: [08:01] Yeah. Another story, we got an RFI for building digital applications with AI. The telco wants to rapidly build a bunch of different apps. I told the team, "It would take us longer to respond to the RFI than to actually build the apps."

Ray Le Maistre: [08:17] Yeah, that was crazy.

DR: [08:17] Come on, guys, get with the program.

[08:19] And so another surprising finding in your report was that almost two-thirds of respondents said they need the right skills and operational structure in place before they can upgrade their DSS. And so with AI evolving so quickly, by the time telcos feel "ready," I think the technology landscape will have changed. Don't you think this approach puts telco at risk of never actually upgrading their DSS?

Ray Le Maistre: [08:42] In a nutshell, the answer is yes. It's a real challenge. As we know, telcos, by their nature and historically, are really slow at changing and doing stuff, and it takes a long time to get anything done. You only have to look back at when some of the lead tech executives at telcos have said, "We're going to rationalize our OSS and BSS," and then they announce that they've done so six or seven years later. It takes a hell of a long time.

DR: [09:23] Yeah. I don't think the old way that we've been doing it for like the last 30 years is going to work anymore. With AI and

all of its capabilities, you have to be on the fast track, and I talked to telcos and they're like, "We're slow," like it's a badge of honor, and I'm like, "It's not, guys. You guys got to really start to think differently." And I think one of those challenges is that the BSS ecosystem installed, especially at a large telco, is literally hundreds of applications that have a lot of business logic ingrained in these apps in the form of change requests or customizations as well as integrations, and so it's like a pile of spaghetti where it's really difficult to change one noodle without impacting the whole ecosystem.

[10:07] But I do think AI is going to really change that equation as long as telcos are open-minded and they try, hint, hint, some new vendors that come at it in a different way. And so that brings me to my next question, which was surprising. Your report revealed that 52% of respondents think AI will help but isn't totally necessary. And so again, I was completely surprised with that when I saw the results of the report. Given the rapid developments in AI since September, when your report came out, ChatGPT-4o, Sonnet 3.5, NVIDIA's going crazy with their Agent Vision, do you think you'd get a different result if you conducted the survey today?

Ray Le Maistre:

[10:48] I mean, nobody was more shocked than me at that response. I had to look at the data about three or four times to make sure I was looking at the right set. I'm not too sure what led to that. I think when we do ask the same question again later this year, goodness me, I hope we get a different response. But I think there's still a little bit of temerity here, a little bit of caution, and I think that's because a lot of people are still figuring out what to do. Now, that shouldn't really influence this particular result because this should be a little bit of a slam dunk. It depends who you talk to in the industry about how they're thinking about AI and where they are with it. You do get slightly different views.

[11:29] And I think that things are starting to move rapidly. We talked a few minutes ago about the slow pace of telecom. I think things are starting to accelerate a little bit more, and this is driven, I think, by the pressure that comes with seeing how quickly things are changing in the AI tech sector in general. I think one of the big challenges these telcos face is that they're a bit concerned that they won't get it right. Maybe that's not something they need to be too worried about. What they do need to make sure is that they do it properly in a cloud-oriented and an open way, otherwise, they will send themselves down

another cul-de-sac. And I do think that these kind of concerns do, pun not intended, cloud their thoughts about AI at the moment.

DR:

[12:12] Yeah. Yeah, well, I think large enterprises, with AI, it's not going to be a very clear path to success because of what I call the jagged edge of AI. Literally every day something new is coming out and it changes maybe the tools you would've selected. And I don't think failure and experimentation is a big part of telco's culture, and it really almost needs to be, you need to tolerate a little bit of experimentation and bad answers as you tune and improve it. Again, be smart about how you release that out into the wild, into your customers, and impacting your business, but you have to start the journey, and it's not one leap in a single bound. It's a lot of baby steps.

[12:55] When I was at re:Invent in December, at the executive summit, a really big topic was responsible AI and balancing how much leeway to give to your workers inside the telco to experiment and develop and create, balancing that with managing, I hate saying this, but hallucinations or wrong answers, and probably what a lot of large organizations, not just telcos, are just, "How much rope do we give our people before we get hurt by that?" So it's not an easy decision, but also I don't think you can sit on the sidelines and wait for the answers to appear. I think you'll be too far behind by the time you start your journey.

Ray Le Maistre:

[13:36] Yeah. And I think anybody that thinks that automation is going to be possible without AI is in for a bit of a shock.

DR:

[13:43] Correct.

[13:44] So looking ahead, what other topics will you and the DSP Leaders Council explore next?

Ray Le Maistre:

[13:49] 2024 was our first full year of having the council and doing surveys in general with the whole industry, but also specifically with the council. And so 2025, we're going to spend quite a lot of time repeating the same surveys with additional questions so that we can look at the trends, see what's changed between 2024 and 2025. I mean, if that 52% number goes down, then I think gloves will be off this year, but I'm sure it will go up. But only by repeating will we be able to see where the industry is headed. So we'll be doing surveys and reports on lots of different things related to AI, of course, because that's now

impacting everything, cloud-native telcos, next-gen telco infrastructure, energy efficiency. Quantum-safe networking, this is a really important topic that's starting to come to the fore a bit more. Open RAN, of course, that's been a big topic of ours for a very long time.

DR: [14:45] Absolutely.

Ray Le Maistre: [14:46] And a new topic for our survey this year will be the area of satellite-to-smartphone communication or D2C, direct-to-cell, because that's really starting to impact service provider strategies now.

[14:59] And then one other one I'm looking at here actually is the role of dark roasted Latin American coffee beans on telco operations. That's a personal favorite of mine.

DR: [15:08] The coffee.

Ray Le Maistre: [15:08] This is so important.

DR: [15:09] Yes.

Ray Le Maistre: [15:09] Who can survive without it?

DR: [15:11] And I famously don't drink coffee. It literally makes me feel terrible. I don't know how you guys have all that caffeine.

Ray Le Maistre: [15:17] It's the only thing that's keeping me sitting up.

DR: [15:19] Oh my gosh. Well, I'm so excited with you coming onto the podcast and sharing all your thoughts on DSP. And I always close the podcast with something fun. And so I wanted to recall the first time we met, not in person, but over the phone.

[15:34] And so I think it was in 2017 or 2018 and I was CEO of Redknee, you were still at Light Reading and you were, and still are, very well-regarded journalist in the industry, and I really wanted you to write about the turnaround I was doing at that company. So on that call, I compared myself to Daenerys Targaryen on Game of Thrones, and I was making an analogy about how I inherited these three dragon eggs in the form of three chargers: the organic Redknee one, they had acquired Orga, and they had acquired the charger from Nokia Siemens. And so I was trying to tell this fabulous story about how I was going to move them to the public cloud, basically turn them into

dragons, and take over telco. And so I guess that should have been your sign back in 2017 that I wasn't going to be your regular telco software executive.

Ray Le Maistre: [16:25] I don't actually remember the detail of that conversation, but it was very clear from the beginning that you weren't the regular, and where we met at MWC, that was also the case. One of the ways you got me to go and meet was by telling me that you've had a barista on your stand. So even though you're not a coffee drinker-

DR: [16:41] I had the best coffee in Barcelona in my stand. But now all the stands have coffee, so I have to come up with a new fabulous idea to attract amazing journalists to come check out our stand at MWC25.

Ray Le Maistre: [16:54] I look forward to seeing what that is.

DR: [16:55] Awesome. Well, Ray, thanks so much for coming on the podcast. This is a great conversation, and I look forward to seeing you in Barcelona.

Ray Le Maistre: [17:01] Absolutely. Thanks for having me.

DR: [17:03] Yay.

[17:07] Stick around. We end each podcast with a "Telco in 20" takeaway. I've got two minutes to tell you something you need to know.

[17:19] Ray made a powerful point about AI and telco. It's not an option anymore, it's a necessity. Operators simply can't afford to move slowly, and that means that telco executives are going to have to get comfortable with something that makes them squirm, selecting new small vendors that have innovative approaches to old telco problems.

[17:40] But here's the thing everyone seems to miss. When it comes to AI, there are no incumbent providers. From the old-school players like Amdocs and Ericsson to startups like Totogi, everyone is figuring out AI for the first time. So telcos, get ready. The next wave of innovation will come from unproven companies that are building AI-first from the ground up. So go tell your pesky procurement department to stop asking for an RFP from six vendors with customer references. They don't exist. And don't fall for your incumbent vendor telling you they have it

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figured out. They don't. You're going to have to get out of your comfort zone and start exploring what AI-native companies can do.

[18:24] Want to see what real innovation with AI looks like? Come find me at MWC25. I'll be in Barcelona with Team Totogi, who has figured out AI, showing off our amazing products at our stand in Hall 2. I'm also giving one of my epic talks on how to build an AI-first telco at the GenAI Summit on Monday, March 3rd at 10:30 in Hall 6. And catch an invite to the best party in Barcelona on Wednesday, March 5th. DM me on LinkedIn or X @TelcoDR to grab a spot on the list. Until then, tune into more Telco in 20 episodes, like and follow, and leave us a five-star review. Don't forget to sign up for my mind-blowing email newsletter on TelcoDR.com and check out our killer YouTube channel. Later, nerds.