Wainhouse Research

The Wainhouse Research Bulletin

NEWS AND VIEWS ON REAL-TIME UNIFIED COMMUNICATIONS

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Andrew W. Davis, *andrewwd@wainhouse.com*

Polycom Ups Ante in Enterprise Video

In what you might call a third generation desktop video solution, Polycom took a giant leap with the announcement of its Converged Management Application, a client-server solution for desktop video. A key component of the solution is CMA Desktop, a tightly integrated enterprise desktop video application capable of supporting high definition video, voice, and content while scaling to thousands of users (courtesy of the CMA server) across an organization. The new solutions provide the foundation for future integration with Polycom partners such as Avaya, IBM, Microsoft and Nortel.

The key here to future enterprise deployments is manageability. CMA gives the IT department control of all desktop and group video systems, as well as centralized management of conferences, devices and systems. CMA provides gatekeeper functions and scheduling and directory management and enables IT administrators to automate software updates and establish policy-based provisioning of endpoint and infrastructure capabilities, as well as manage bandwidth based on network topology, business requirements and operational needs. (CMA can be configured so that RTP traffic goes through the device or not.) CMA supports Active Directory and LDAP/H.350 directory services, offers integrated scheduling through Microsoft Outlook, IBM Lotus Notes or a web interface, and supports standards-based provisioning through XML and standards-based presence through XMPP. Secure conferencing is ensured through AES media encryption and TLS certificates for secure signaling. To help simplify the use of video and telepresence solutions, Polycom CMA allows Polycom video devices to share presence information as a part of user contact lists (desktop, group and telepresence) either on their endpoint or within the CMA Desktop application. Users simply click on the name to launch a call. All call specifications are provisioned based on profiles previously defined by the IT administrator. CMA is available in a variety of configurations ranging from 200 to 5000 seats with price/seat varying from approximately $120 to $50.

Here's What I Think

CMA could be one of the most important announcements in the videoconferencing space in the past few years. For visual communications to really take off, we need scalable and manageable desktop solutions. We also need "easy-to-use." Previous products

from Polycom and others provided good audio and video quality, but this wasn't enough for wide scale acceptance. Few IT departments could seriously contemplate supporting thousands of endpoints, whether they were concerned about managing, monitoring, and upgrading endpoints, or bandwidth management, or security. The product situation is changing rapidly however. Presence-based products are now addressing the "who can I call" and "how do I call them" dilemmas – thereby solving the ease of use problem. And solutions like CMA are finally tackling the challenge NOT from an endpoint video perspective, but from a corporate IT infrastructure perspective – yes indeed, video is becoming just another application running on the corporate network and supported by the network team. Other vendors/products are in this space of course, with a mix of H.323 and SIP support, including Tandberg/Movi, Radvision/Scopia Desktop, and Avistar/C3, but Polycom's entering the client-server video space with a next-generation product promises to propel the market forward.

In a simultaneous announcement, Polycom introduced the RMX 1000, an MCU for small and medium enterprises and branch offices of large enterprises. Complementing the existing RMX 2000 (but the RMX 1000 is actually based on a different hardware and software platform) for medium and large enterprise networks, the RMX 1000 enables on-demand video collaboration with high definition video, voice and multimedia content sharing capabilities. Key stats for the fixed form factor device include up to 20 CIF or HD voice switched ports, up to 10 standard definition continuous presence ports, and support for H.264, H.239, Siren22, LPR, AES, and data rates to 2Mbps.

The RMX 1000, like the RMX 2000, is sold by the resource, and channel partners are well advised to take a crash course in price list interpretation. The RMX base system with 12, 16, or 20 resource licenses has a US list price of $21.6K, $28.8K, and $36K respectively. This would equate to about $2K per resource which in some cases would be $2K per port, at least in the case of voice switched bridging – including HD. For continuous presence, the number of resources is essentially cut in half (CP requires twice the processing power), making the price per port closer to $4K – except in the case of CIF resolution continuous presence, which still requires only one resource, not two. The optional internal scheduling software for the RMX 1000 is an additional $2K license fee. And before we forget, most importantly, the optional software license for HD continuous presence adds $10K to the base price.

More Video Style from Aethra

Aethra announced the international launch of Athena, the company's new rollabout video system with unique modular features. Athena is customizable to individual requirements – including monitor type, codec model, materials, and colors, as well as offering exclusive security technology and an ultra-slender and light-weight structure. Designed by architectural studio aMDL, Athena represents the new concept of 'Made in Italy' professional video conferencing. The system is available in single and dual monitor configurations with screen sizes ranging from 32" to 52". The color of the easel can be matched to that of the monitor, available in two tones: black and dark grey; in addition, the plexiglass

structure is available in a range colors. The practical wheels, its lightweight structure and minimal lines all work together to allow the solution to be moved easily and rapidly from one conference room to another.

Sea Changes at Siemens Enterprise Communications

Invest or Divest! Having sold off its mobile phone business, Siemens is unloading its enterprise communications business and will be out of communications entirely, a move announced long ago. Siemens Enterprise Communications (SEN) has agreed to partner with the Gores Group (the former owners of Wire One before selling that enterprise to BT Conferencing) in the form of a joint venture. Gores will acquire a 51% stake in SEN while Siemens AG will maintain a 49% stake. Siemens contributes the assets of SEN – the Siemens' HiPath series of PBXs and telephony communications solutions, the entire OpenScape UC portfolio, call center technology, Wi-Fi networking technology, and mobile clients. Gores will contribute the assets of two subsidiaries: Enterasys – multilayer switches, core routers, WAN routers, wireless LAN's, network management, and intrusion defense systems, and SER Solutions – contact center management platforms. In addition, Siemens AG and Gores will invest €175 million each in operating capital. The new joint venture will keep the Siemens Enterprise Communications name until the deal closes around October 1, at which time the name will likely change.

Enterasys and SER Solutions are not strangers to Siemens. Siemens and Enterasys have been partners for over 12 years, often cross compensating their sales teams and leading with each other's solutions. In addition, the President and CEO at SER Solutions was a longtime executive at Siemens, serving as president of Siemens Enterprise Networks before moving to SER Solutions just a few years ago.

Here's What Brent Kelly Thinks bkelly@wainhouse.com

Finally, Siemens and its customers can breathe a sigh relief now that the deal has been done. Siemens announced over two years ago that it was looking for a buyer or a partner for its telecommunications group, but none was forthcoming until now. Waiting this long hurt Siemens because customers were generally afraid to buy, even though Siemens has excellent technology.

Siemens is the third telecom company to be taken private (preceded by Avaya and Inter-Tel). The Gores Group has a proven record of successful acquisitions. Key to the joint venture's success will be developing a strategy for how it will compete in a telecom world moving to software. Siemens has said it would move to software and services, but so far, this strategy has proven to be difficult to execute and not lead to market or mind share gains. Like Avaya, SEN is likely to undergo some restructuring, headcount reduction, and upper management changes. The new company is certainly going to have to improve on its marketing and make a more responsive integration services business. The company's technology is excellent; we believe the OpenScape UC solution to be one of the best on the market and particularly attractive in heterogeneous telephony environments.

Comments from Andrew: Siemens took an interesting path here. Rather than partner with a competitor like Nortel, Avaya, or Cisco, a situation which would have led to many job overlaps, competing products, and platform decisions taking months to resolve, Siemens went outside the Unified Communications industry to partner with Gores and to bring together Entrasys and SER, companies that have focused on solutions for SMB. It will be interesting to see if real synergies develop here in bringing a wealth of new UC solutions to large and small enterprises.

News in Brief

- HaiVision Systems announced it has shipped its 4,000th codec into the telepresence market. Since the typical HaiVision-enabled "telepresence" suite uses four codec streams, the press release is related to 1000 telepresence systems. HaiVision codecs are sold on an OEM basis to several integrators. While none of the OEM customers have ever been formally acknowledged

or named, we believe HP HALO and Teliris VirtuaLive solutions are based on HaiVision. According to HaiVision's president and CEO Mirko Wicha, HaiVision's customers' run rate is now between 15 and 20 telepresence rooms per week. We are choosing to avoid the telepresence definition debate this week.

- Meru Networks has released an 802.11-based technology called RF Barrier that defends Wi-Fi networks against eavesdroppers and "parking lot" attackers who attempt to record and observe network traffic from outside a building's perimeter. RF Barrier works by mounting a Meru Networks wireless access point along the inside perimeter of a building and an advanced external antenna outside. RF Barrier technology inspects the traffic in real time to determine which part belongs to the WLAN (and is therefore designated as sensitive) and uses the external antenna to block outbound traffic at the RF layer. Would-be attackers are limited in their ability to see useful packet information about the internal network. Because RF Barrier uses directional antennas and selective enforcement technology, it has no impact on signals within the building or from other networks.
- Toshiba announced that it has certified SIP trunking between its Strata CIX series IP telephony solutions and PAETEC Holding Corp. PAETEC offers data, voice, and IP services, CPE and managed services for business customers across the US. Toshiba Strata solutions are also certified with CBeyond, ABS, and AT&T for SIP trunking. SIP trunking moves the gateways required to interconnect the PSTN with IP telephony into the carrier cloud versus installing gateways as CPE equipment. In another note, Toshiba also announced a new Strata CIX 1200 hybrid PBX that supports 1,000 IP phones. Although Toshiba's sweet spot is the 10 – 50 user market, this new PBX lets Toshiba compete in the medium-sized business space.
- Radvision announced the worldwide availability of its SCOPIA IVP 3.0 media processing server, a smart delivery platform that determines the individual capabilities of end-user devices and seamlessly delivers top video quality for each user based on the capabilities of the end point or network connectivity. In a related announcement Radvision said it is providing integrated video communications for Cisco's Unified Customer Voice Portal. The video-integrated Cisco CVP solution utilizes Radvision's iCONTACT, a contact center video-enabling software component running in conjunction with the SCOPIA Interactive Video Platform.
- NMS Communications unveiled the Vision CX Video Gateway, a new carrier-ready media and signaling gateway that will connect mobile users to video content. The Vision CX Video Gateway bridges the gap between 3G mobile phones and IP applications for both video and voice services carried over ISDN and SS7 networks. The 3G-324M-based system supports video blogging, video ringback tones, video sharing and video gaming – believed to be among the many emerging interactive IP-based (SIP) applications that operators around the world are hoping will increase subscribers and revenues.

- Avistar Communications made several channel partner announcements in the past two weeks. The company signed a strategic partnership agreement with City Information Services Limited (CityIS Ltd.) as well as with MVC (Germany). The company also inked a reseller agreement with Nebraska-based Fontel, a wholesale distributor of voice and data communications products.
- At last month's Wainhouse Research Collaboration Summit in Boston, gold sponsor BT Conferencing held a drawing for an iPod Touch. The winner was Sal Giafaglione of the Federal Reserve Bank of Philadelphia. Congratulations to Sal.
- Thomson Reuters has been ordered by a federal court to remove a crucial layer of software from its instant messaging service. The decision penalized Thomson Reuters for being two weeks late with its final licensing payment to FaceTime Communications. Reuters, the news and information service bought by Thomson Financial earlier this year, stitched FaceTime's computer coding into an instant messaging service that has been sold to about 100 customers in the

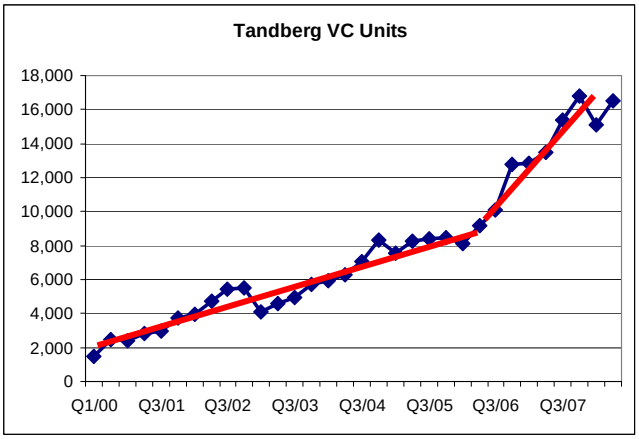
financial services industry. FaceTime's technology provides Reuters' instant messaging customers with two vital features – security against computer hackers and tools to comply with a variety of government regulations that include a mandate to store the electronic conversations of securities traders and brokers.

- Telanetix reports it has signed up SAVVIS as a customer for Telanetix telepresence systems.
- ClearOne announced that Vidyo has selected ClearOne's CHAT 50 and 150 personal and group speakerphones as the preferred audio component for Vidyo's videoconferencing systems.

Dollars & $ense

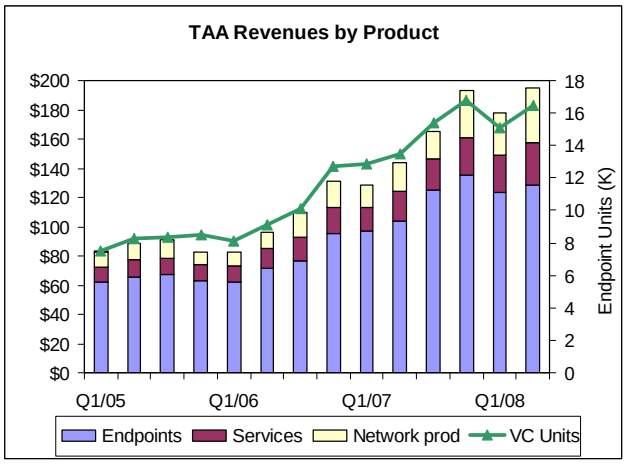
Tandberg Q2-2008

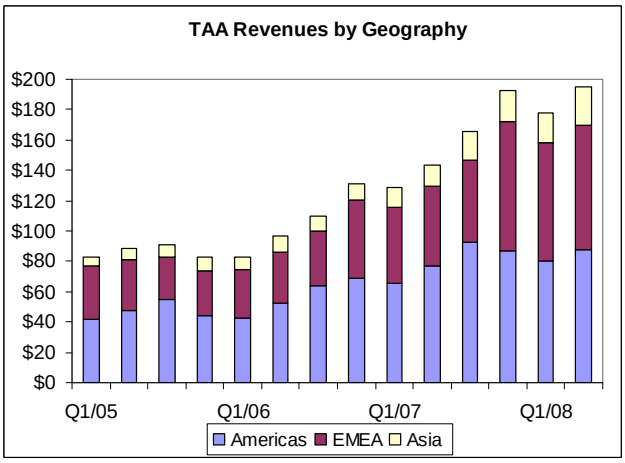
Tandberg turned in another amazing quarter, with record revenues driven in some part by a few big wins in asia/pac, and an overall annual growth rate of >35% (including the Codian revenues) – very impressive. Note that video revenues grew at a faster rate than video units once again, hence average selling prices for video were up – due no doubt to telepresence and HD systems sales. Tandberg reported 2,352 video units sold to an OEM that were included in the overall shipment numbers. Infrastructure sales were up considerably on an annual basis (as well as sequentially) reflecting the Codian acquisition.



TAA	Q2 07	Q1 08	Q2 08	Sequential Growth	Annual Growth
Americas	$77.2	$80.4	$87.8	9.2%	13.7%
EMEA	$51.9	$77.7	$81.8	5.3%	57.6%
Asia	$14.7	$20.0	$25.3	26.5%	72.1%
Total Rev	$143.8	$178.1	$194.9	9.4%	35.5%
Endpoints	$104.2	$123.5	$128.6	4.2%	23.4%
Services	$20.1	$25.5	$29.2	14.6%	45.4%
Infrastructure	$19.5	$29.1	$37.0	27.3%	89.9%
Op Inc	$33.3	$37.4	$41.2	10.2%	23.7%
Endpoint Units	13,512	15,077	16,483	9.3%	22.0%

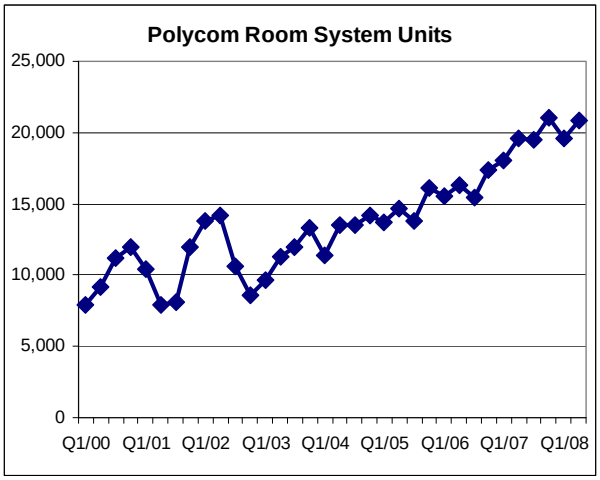
The red lines in our chart above represent least squares fits calculated by Excel. While the red lines were drawn free hand in the newsletter, the Excel calculations indicate that from Q1-00 to Q1-06, Tandberg's unit sales grew at 306 units per quarter (the slope of the line); from Q1-06 to Q2-08 the slope of the line has increased to 962 units per quarter. Tandberg's shipment rate changed by a ratio of 3.14 – truly the company is enjoying the life of Pi.



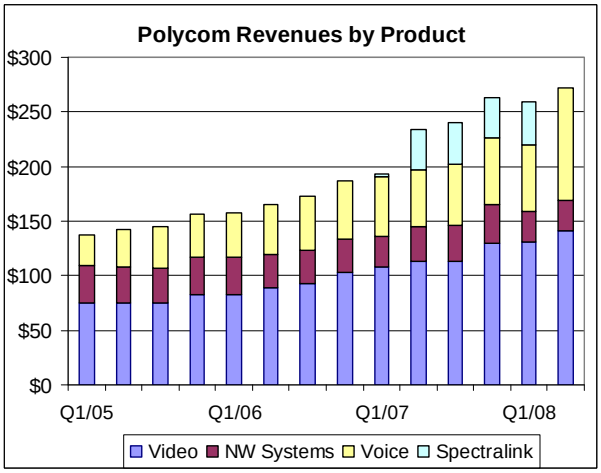


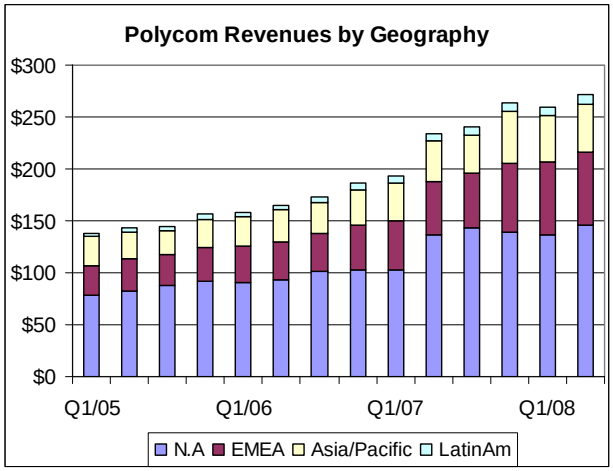
Polycom Q2-2008

Polycom reported second quarter 2008 consolidated net revenues of $271.6 million ($233.85 in products and $37.74 in services), compared to $233.9 million for the second quarter of 2007. This was a new revenue record for Polycom. During the earnings call, management stated that high definition systems accounted for about half of the video revenues and that RPX/TPX sales grew >20% sequentially and >600% annually. While Polycom combined the video systems business and the network systems business into one video solutions business unit, the company still breaks out the two units' financials, at least for the time being. Management reported that the decline in network systems was due to a "very challenging" environment for the voice bridge business (the old Voyant business) and that the growth in RMX (video bridge) sales was not enough to counterbalance the decline in MGC sales so that the video bridge business declined also.



PLCM	Q2-07	Q1-08	Q2-08	Sequential Growth	Annual Growth
Video	$113.3	$130.3	$141.2	8.4%	24.6%
Network Systems	$31.0	$29.2	$28.0	-4.1%	-9.7%
Voice	$89.6	$99.3	$102.4	3.1%	14.3%
Total Rev	$233.9	$258.8	$271.6	4.9%	16.1%
Group Units	19,582	19,618	20,845	6.3%	6.4%
Op Inc.	$17.3	$15.0	$22.5	50.4%	29.9%
North America	$137.1	$136.7	$146.4	7.1%	6.8%
EMEA	$51.2	$69.4	$69.5	0.1%	35.7%
Asia/Pacific	$39.0	$45.2	$46.7	3.3%	19.7%
Latin America	$6.6	$7.6	$9.0	18.4%	36.4%



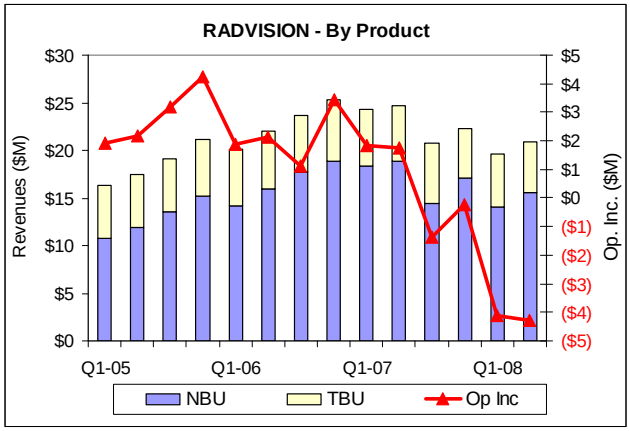


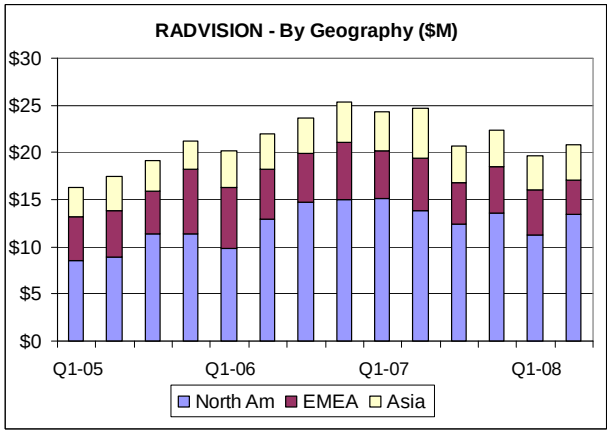
Note: About 15% of Polycom's total revenues are in services and are distributed within the voice, video, and network systems numbers reported above. Since Tandberg does not include services in their reported video or infrastructure revenue numbers, this makes the comparison between the numbers in the above tables NOT an apples-to-apples comparison. These differences ARE accounted for in our SpotCheck report (which IS an apples-to-apples comparison)

RADVISION Q2-2008

RVSN	Q1-07	Q4-07	Q1-08	Sequential Growth	Annual Growth
Products	$18.8	$14.1	$15.6	10.3%	-17.3%
Technology	$5.9	$5.5	$5.3	-3.8%	-10.0%
Total Sales	$24.7	$19.6	$20.8	6.3%	-15.6%
NA	$13.9	$11.3	$13.5	19.7%	-2.5%
EMEA	$5.5	$4.8	$3.5	-26.0%	-36.0%
Asia	$5.3	$3.5	$3.8	7.6%	-28.5%
Op Inc.	$1.74	($4.11)	($4.30)	NA	NA
3G sales	$2.6	$1.0	$1.8	83.6%	-29.4%
CTM sales	$1.6	$0.8	$0.1	-81.4%	-90.9%

Despite the excitement around SCOPIA version 5.6 and SCOPIA Desktop (which has largely replaced the legacy Click to Meet product line), and despite better than expected revenues from Cisco and impressive growth in non-Cisco North American revenues, Radvision turned in another down quarter with total sales of $20.8M vs. $24.7M one year earlier. The Company ended the second quarter of 2008 with approximately $123.5 million in cash and liquid investments, equivalent to $5.98 per basic share, which by our observation is actually less than the current share trading price. In business-school speak, the enterprise value of Radvision is negative. CEO Boaz Raviv described the light at the end of the tunnel for Radvision, with several Cisco-related projects due to kick in this year, with Scopia V5.6 gaining traction, and with growing business relationships between Radvision, the independent MCU and infrastructure vendor, and endpoint manufacturers such as LifeSize and an unnamed AsiaPac consumer electronics giant. Hopefully these will kick in before the end of 2008; Radvision's annual revenue per employee is currently around $175K, about 1/3rd that of Polycom or Tandberg.





The Big Three

		Q2-07	Q1-08	Q2-08	Sequential Growth	Annual Growth
PLCM	Room Video Units	19,582	19,618	20,845	6.3%	6.4%
TAA	Room Video Units (3)	13,512	15,077	16,483	9.3%	22.0%
PLCM	Video endpoint revenue ($M) (2)	$113.3	$130.3	$141.2	8.4%	24.6%
TAA	Video endpoint revenue ($M) (1)	$104.2	$123.5	$128.6	4.2%	23.4%
PLCM	Infrastructure revenue ($M)	$31.0	$29.2	$28.0	-4.1%	-9.7%
TAA	Infrastructure revenue ($M)	$19.5	$29.1	$37.0	27.3%	89.9%
RVSN	Infrastructure revenue ($M) (2)	$18.8	$14.1	$15.6	10.3%	-17.3%
PLCM	Total revenue ($M)	$233.9	$258.8	$271.6	4.9%	16.1%
TAA	Total revenue ($M) (1)	$143.8	$178.1	$194.9	9.4%	35.5%
RVSN	Total revenue ($M) (2)	$24.7	$19.6	$20.8	6.3%	-15.6%

(1) Includes OEM units sold in North America (2) Includes a service component

Year Over Year Growth Rate for Total Revenues* as Reported

	Q4/06	Q1/07	Q2/07	Q3/07	Q4/07	Q1/08	Q2/08
Polycom	19.5%	22.2%	41.8%	38.6%	41.2%	34.3%	16.1%
Tandberg	57.8%	55.4%	49.0%	50.8%	47.5%	38.6%	35.5%
Radvision	19.5%	20.7%	12.3%	-12.3%	-11.9%	-19.3%	-17.3%

*includes results from all acquisitions

Avistar Q2-2008

Avistar reported revenue for Q2-08 of $1.8 million, compared to $1.2 million for the quarter ended March 31, 2008, an increase of 56%. Operating expense was $3.2 million for the second quarter, compared to $5.1 million for the first quarter of 2008. Income from settlement and licensing activity, which management sees as a key component of the company's "top line" performance, was $1.1 million in both the second and first quarters of 2008.

Point Nine User Forum – Next Meetings

WR has scheduled three more 2008 meetings for the end-user, peer networking association, Point Nine (P9). To make these as accessible as possible, these sessions will be multi-location meetings and linked by either videoconferencing (Sept 9th) or Telepresence (Nov 18th & 25th). In addition, to maximize the education and effectiveness of these meetings, WR analysts have compiled questionnaires for each of the two focus topics – *Unified Communications* and *Conferencing Managed Service Providers* – and invited leading vendors to come and present their responses. Participants will be able to evaluate vendors by weighting each question and scoring each vendor's response. We think that this unusual and exciting format, coupled with keynote presentations from WR analysts, will make for highly educational and powerful meetings.

WR welcomes all conferencing professionals from customer organizations to our P9 meetings. Mark these dates now, seating is limited, and further information will be posted on the Point Nine web pages shortly (www.wainhouse.com/point9). Alternatively, please contact P9's Executive Director, Richard Norris, directly at richard@wainhouse.com

USA – September 9th (Boston, NYC, Washington DC)

Unified Communications – A New Dawn for Enterprise Collaboration?

UC means many things to many people but most agree that UC is the future of collaborative working in F1000 organizations. This meeting takes an in-depth look at what is hot in the UC sector and provides participants with the unique opportunity to quantitatively evaluate four leading UC vendors and their solutions.

Hosted By

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USA – November 18th (Andover, Chicago, NYC, DC)

Europe – November 25th (Munich, Paris & Slough)

Selecting a Conferencing Managed Service Provider

Why are so many enterprises now turning to Conferencing Managed Service providers? Learn the latest developments in the cMSP sector, understand how one major manufacturer works with its channels to provide a superlative service for its customers and hear from leading cMSP vendors.

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POLYCOM

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AGT Applied Global Technologies

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People & Places

Telanetix, **JD Vaughn**, VP Worldwide Telepresence Sales. According to the news release, JD is a "senior telepresence industry executive." Welcome back to the funny farm, JD.!

Compunetix, **Jesus Jimenez**, **Yi Zhang**, and **Xinzhao 'Ben' Li**, customer support specialists for Asia Pacific.

One on One with Agito Networks' Pejman Roshan, Co-Founder and VP of Marketing

The interest and market for fixed-mobile convergence (FMC) and mobile unified communications are both growing significantly. We spoke with Pej Roshan of Agito Networks about this emerging market and its significance for those enterprises looking at UC and mobile solutions. mobile workers looking .

WRB: In just a few words, tell us who Agito Networks is and why our readers should care.

PR: Agito Networks is an enterprise fixed mobile convergence (eFMC) company, meaning we sell FMC functionality directly to enterprises. The company's flagship product is the RoamAnywhere Mobility Router, which intelligently transitions dual-mode mobile phones to use the best available wireless network (cellular, Wi-Fi, hotspot, home) for delivering key PBX and deskphone functions directly to mobile users wherever they are (including directory look ups, single number reach, one voice mailbox, call hold, call transfer, etc.). The Agito RoamAnywhere router sits in the enterprise data center, and a small, over-the-air deployed client runs on the mobile phone. Our solution is carrier agnostic and works with leading enterprise PBXs and WLANs.

WRB: Your company is one of a number of startups in what we would call the "adjunct PBX" mobility solutions market. Your device plays alongside an enterprise PBX to provide automated handoff between cellular and enterprise Wi-Fi networks. How is Agito Networks different from its competitors?

PR: Agito is differentiated in how we intelligently route users to the best available wireless network, and how we handle handover between cellular, enterprise WLAN, hotspot, and home WiFi networks. Agito uses a comprehensive set of routing metrics to determine the time and place for automatic and seamless WiFi/cellular network handover. Unlike competing solutions, the patent pending sub-second, automatic handover of calls between WiFi and cellular is transparent to users.

Another important point. Agito determines a user's location and uses this information to determine where a network handover should occur. Administrators identify building entry/exit points with the solution, and the client on the mobile phone identifies these areas via RF fingerprints and delivers a deterministic, automatic handover at the right time before the call quality degrades. With other solutions that leverage only distress metrics, such as signal strength (RSSI) or packet loss, users can flap back and forth between WiFi and cellular when inside the building or perform handovers too late to maintain good call quality.

WRB: Some companies hope to save money by using dual-mode phones over corporate Wi-Fi networks and from home networking or Wi-Fi hotspots. Others say that the costs of the dual-mode phones and the enterprise voice-enabled Wi-Fi network eat up any potential savings on cellular plans with fewer minutes. What do you say to that?

PR: Cost savings is not the key driver for most enterprises with this application. We also know that many enterprise Wi-Fi deployments are voice-ready, or require only incremental additions. Dual-mode FMC phone prices are dropping and are only marginally more expensive than single-mode phones. They are certainly more expensive than the free phones that mobile carriers offer,

but that's outside the FMC model. When enterprises are looking to own and control phones, they look for high-quality phones for employees. In time, dual-mode radios are going to be as common in phones as cameras are today.

But specific to your question, enterprises deploying FMC are not looking at a forklift replacement of their currently deployed mobile phones. With phones having a life of 6 – 18 months, we recommend that any new phones deployed be dual mode to offer all of the benefits of an FMC solution. Even if single-mode phones are in place in an enterprise today, Agito can support these phones with many benefits, such as PBX and desktop phone functionality delivered to the mobile handset.

On the other hand, cost savings is a benefit customers realize by offloading cell minutes to their available Wi-Fi networks. For example, a university customer of Agito has moved the majority of their mobile cellular calls to their WLAN, with plans to save nearly 50% of their cellular costs.

WRB: If cost savings is not the key driver, what other benefits can enterprises expect to realize from products in this space?

PR: Enterprises are looking for solutions that solve their coverage issues, and improve productivity for their growing mobile populations by keeping them connected to the information they need at all times. With Agito, enterprises are extending low-cost wireless coverage indoors where cellular coverage has been an issue. Our solutions also provide greater visibility and control into enterprise customers' mobile usage.

WRB: How do you see your company playing alongside the big telephony vendors like Cisco, Nortel, Avaya, etc.? These companies have some solutions of their own in this area. Also, how would you fit in with Cisco's wireless networking products and with those from wireless networking companies like Aruba Networks and Meru?

PR: We play well with all the companies you mentioned. We are partnering with them, as well as with companies such as Microsoft, RIM and Nokia. We have native integration into these telephony products, and unlike other solutions in this space, we do not try to offer competitive telephony functionality. Not surprising, since we sell into enterprises, our customers are also customers of Cisco, Avaya and Nortel, but they have selected Agito because of our mobile convergence functionalities that the big companies don't have. As an example, Cisco selected Agito over all other companies in this space to provide the intelligent roaming functionality for its MOTION mobility services engine.

On the WLAN side, we fit well and integrate natively with all the leading WLAN vendors. With Cisco, Agito seamlessly integrates with Cisco's Radio Resource Management functionality of its Unified Wireless Network family, and automatically adapts to changes in dynamic Cisco RF settings. Agito has similar native integration with Aruba and Meru, and supports Trapeze and Aerohive wireless networks, as well.

WRB: What words of advice do you have for those companies seeking a better, more integrated unified communications solution that includes mobile devices?

PR: I would say that the mobile device is key. Some mobile devices are better than others, so look at the full spectrum of devices out there. Consider the types of applications users will want – for example mobile email, or web applications – and recognize that one device for every user type is unlikely. Enterprise FMC and mobile UC are not just about IM and presence on a mobile phone. New devices are capable of voice, video, and mobile applications over multiple wireless networks like 3G, WiMAX, WiFi, and cellular. This opens the possibilities for new cost-effective, productivity-enhancing solutions.