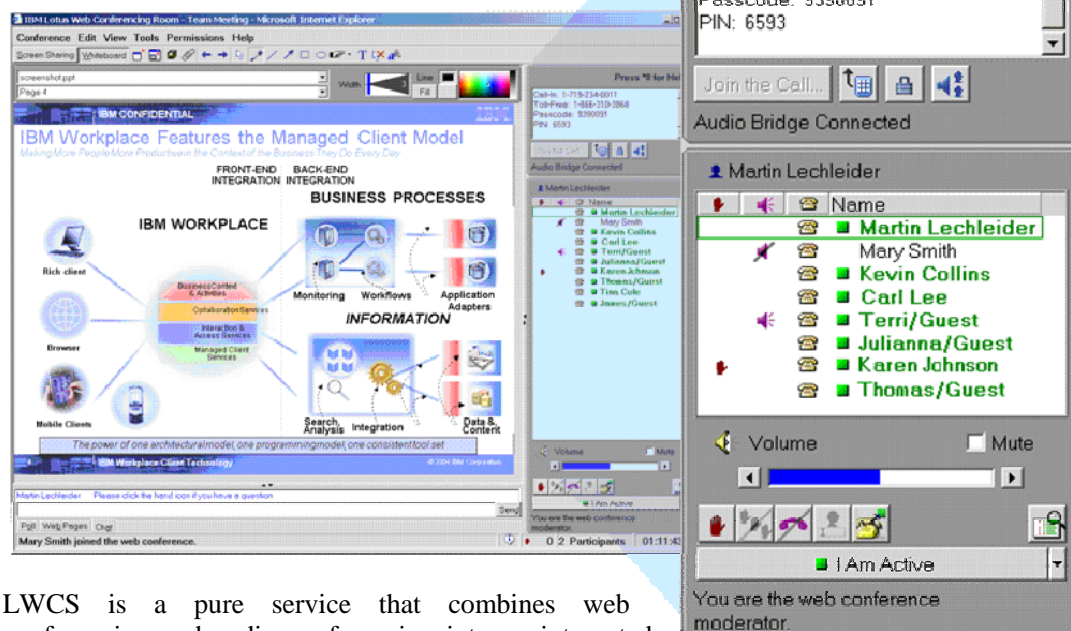


As always, please feel free to forward this newsletter to your colleagues. To be added to our **FREE** automated email distribution list, simply visit www.wainhouse.com/bulletin.

Andrew W. Davis, andrewwd@wainhouse.com

IBM Enters Conferencing Service Provider Space

IBM has announced a whole new set of solutions under the IBM Workplace family umbrella. IBM Workplace is a software platform for next-generation end user working environments (think desktop) that blends collaborative tools, applications and connections into a single environment designed to meet particular business needs. Included in the announcement is IBM Lotus Web Conferencing Service (LWCS), part of IBM's "software as a service" initiative.



LWCS is a pure service that combines web conferencing and audio conferencing into an integrated single interface. Based on Sametime technology, now known as IBM Lotus Instant Messaging and Web Conferencing, LWCS puts IBM in the unusual position to market a web conferencing solution that can be deployed as a utility service (CSP), enterprise-based software product (CPE), or both. The service will be available on demand from IBM and will be offered through pay-per-use and subscription usage plans. LWCS is in beta test and will be generally available in December of 2004; final pricing will be announced at that time. We believe that the first time a meeting participant uses the product or service, there is a 700K java applet download.

Here's What I Think: IBM seems intent on making "software as a service" a real business for the company, and the Sametime technology is a very good place to start. We believe there are over 10,000,000 Sametime licenses in use out there, providing a nice starting point for the IBM sales team. On that issue, this is the first time ever for IBM that the software sales team will be

asked to sell ASP services. That's probably one of the highest risks in this venture, although betting against IBM here is probably not a winning proposition. The offering is sound, and we believe that the all-important audio part of the equation is being outsourced to one or more experienced audio service providers (including Premiere). More important, the audio is integrated with the web, so IBM's web interface gives the moderator audio controls, and all participants see visual clues as to who is speaking (very nice!). It's hard to make a real comment on IBM's positioning, however, until the pricing is released. I don't know if this will kill WebEx, because the WebEx brand is the strongest brand in today's web conferencing services space (as reinforced by WR's Q3 [WebMetrics](#) survey), but the IBM announcement could impact the second tier players.

Wainhouse Research Launches Live Training Seminar Program

We are launching our first series of live seminars. These will be available in both public and private formats (if you want to bring the seminar in-house). Our first seminar is entitled:

Maximizing ROI from Conferencing, Collaboration and Converged Communications Solutions: Best of Breed Technologies, Services, and Implementation Strategies

This is a two-day session, and students can select which of the following venues they prefer.

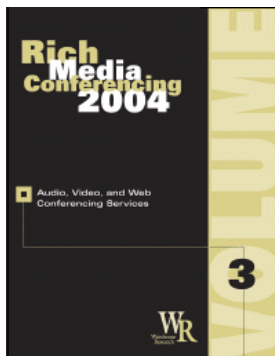
- January 24-25, Radisson Parkway Hotel, Orlando, FL
- February 17-18, Stratosphere Las Vegas Hotel, Las Vegas, NV

This training course will provide the knowledge and insight necessary for end users to successfully select IM, presence, voice, data, and video communications technology and migration strategies. Best-in-class product demonstrations are included to provide concrete examples of the collaborative technologies and principles discussed.

Who Should Attend: Communications professionals, CIOs, CTOs, IT managers/administrators, conferencing coordinators, technology buyers, sales and marketing personnel, government agencies, educational institutions, anyone considering an upgrade to IP communications.

Visit wainhouse.com/training to download a full course overview and registration form or for further information, contact Brent Kelly, bkelly@wainhouse.com.

Two New Reports From Wainhouse Research

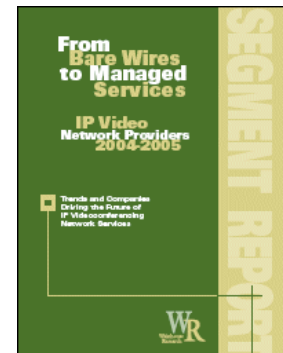


← **Rich Media Conferencing Volume 3: Audio, Video, & Web Conferencing Services**, an in-depth study of rich media conferencing application service providers supporting enterprise conferencing applications. The 165-page report includes a review of 32 service providers worldwide that we believe are either leaders in their respective markets or candidates to become industry players because of their unique technology, innovative business strategy, or position with respect to the impending IP transition. The report also includes our traditional 5-year forecast for Europe, North America, and Asia Pacific for audio, video, and web services.

→ **From Bare Wires to Managed Services: IP Video Network Providers 2004-2005** is an overview of IP video network characteristics including core network capabilities, last mile connectivity options, transport mechanisms, network redundancy and reliability measures, quality of

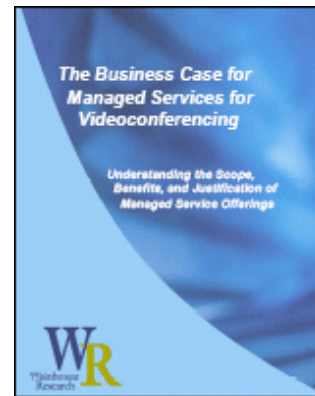
service mechanisms, service level agreements, and global network footprint for 18 video network providers.. Also described in this 147-page report are vendor ancillary service offerings such as reporting capabilities, call scheduling, equipment monitoring, bridging options, gateway calling, and gatekeeper functionality. The report includes pricing data for unlimited usage video service offerings and provides a matrix to compare service plans from the different suppliers as well as a strategic overview and analysis section for each vendor.

Details, including table of contents, executive summary, and ordering information are available at www.wainhouse.com/reports .



News in Brief

- UK-based VideoCentric has announced two of their own bundles around the Canon PTZ VC-C4 camera. These include software, an echo-cancelled tabletop mic, and a USB interface for the camera. One unit is based on the PVC software codec from Polycom, the other is based on VCON's vPoint HD software solution which also includes multicast streaming. Pricing for either bundle is approximately £800.
- UK-based Visual Nexus has released version 2.2 of its meeting server software. The new version offers enhanced online meeting capabilities for workers outside the office (browser based access rather than client based), including bandwidth utilization improvements geared towards ADSL access, enhanced video over ADSL capabilities via a new codec, and remote chairperson functionality. In addition, Visual Nexus' continuous presence option has been upgraded to enable video images of up to four meeting participants to be viewed continuously over a single video stream. Version 2.2 also incorporates an 'audio only' meeting mode, offering high quality teleconferencing facilities direct from the desktop, enabling users to participate in online meetings even when insufficient bandwidth is available for video meetings. Visual Nexus version 2.2 is available immediately with complete systems starting from under £8,000 for a five concurrent user meeting system.
- We have a new whitepaper available for FREE of course. "[The Business Case for Managed Services for Videoconferencing](#)" is our second white paper that explores the different angles presented by the managed services option for end users. While the breadth of services available varies by vendor, superior managed service offerings provide key support services including centralized scheduling, meeting support, help desk services, end-user training, internal marketing assistance, proactive video endpoint and network monitoring, and a wealth of management reports. We expect to have more to say on the managed service provider (MSP) market over the next few months. Stay tuned.
- MCI has rolled out a trio of DSL services to reach businesses in more than 300 metropolitan areas (8,800 switching centers). The offerings comprise a single-provider solution to deploy broadband Internet connections and extend MCI IP VPN services to geographically dispersed businesses more simply and affordably. MCI's new trio of services - Internet DSL Solo 768 Kbps, Internet DSL Solo 1.5 M and Internet DSL Solo Resale (fore retail/commercial) - are all based on ADSL technology. The bad news: the uplink is 128 kbps in all cases. And so it goes, another clueless carrier. MCI's symmetrical SDSL services are still available, dubbed MCI Internet DSL Office and MCI Internet Enterprise.



See Your Company Name Here

We have openings for a few sponsors for the 2005 WR Bulletin program. If you'd like to learn more about our sponsorship program and see your company listed in every issue, contact andrewwd@wainhouse.com

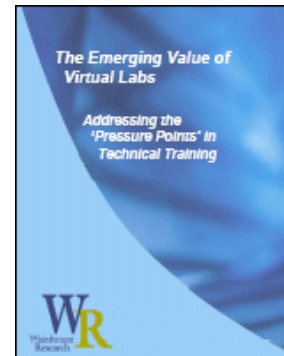


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MVC	V-SPAN

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- We have posted the [results of our conferencing services survey](#), which was conducted last month as part of our research for our annual RMC report on Conferencing Services. The lucky recipients of \$50 amazon.com gift certificates are: Daniel B, NewTechnologies AG; Harry T, Naval Postgraduate School; Steven S, Waste Management; Robert W, The Ottawa Hospital; and David B, B of A Securities.
- On November 16, in beautiful downtown Eatontown, NJ, Andrew will be attending and Ira will be moderating a session at the “[State of the Industry](#)” conference hosted by York Telecom. Representatives from York, Polycom, TANDBERG, Sony, RADVISION, Prominence Networks, and VCON are expected to be there as well. Reserve your place to see the fireworks by calling 866-836-8463 or info@yorktel.com.
- On November 17 we will be visiting the Fall Soiree event for end user’s and AV design consultants. This is a video-centric social event and business networking get together. The event is being hosted in TANDBERG’s 200 Park Ave office, 20th floor, beginning at 4PM. Come by and say hello to WR. RSVP to arthur.kass@cityis.com.
- Visual Systems Group, Inc. (VSGi), a full-service conferencing solutions provider for video, voice, web, and data communications has been awarded a MiCTA/ATAAlliance for Video Integration Services contract. In order to enable multiple competitive bids, MiCTA, we believe, awarded four contracts, one at a gold level (AGT), two silvers, and a bronze.
- TelisSonera has launched a reservationless audio conferencing service that enables users in the Nordic countries to join a conference call by placing a local phone call.
- We have yet another new white paper available, for FREE of course. Continuing our efforts to probe emerging technologies and their applications, we have published “[The Emerging Value of Virtual Labs: Addressing the 'Pressure Points' in Technical Training](#).” Virtual labs are not – as the name might imply – cyberspace chat rooms for pseudo-scientists. Virtual labs combine technology resources, reusable software environments, and automation to enable hands-on training that can be delivered to anyone, anywhere, anytime. Often they can be deployed in conjunction with or as supplement to web conferencing. Download the white paper at www.wainhouse.com/whitepapers
- FVC is showing Click to Meet (CTM) V4.1 and Conference Server 7.3.100, two soon-to-be-announced products, at a trade show in Florida. Based on secret skuttlebut, we believe the major innovations are around innovations related to FVC’s use of its own SDK. Among the new capabilities are directory integration to both Microsoft’s Active Directory and IBM’s Domino and Sametime. This would make FVC the first company we know of to support integration to both the IBM and the Microsoft infrastructure products for real-time collaboration. For example, users will be able to create a CTM conference from a Messenger client, so Messenger users won’t have to learn a new interface. And CTM will leverage the presence and IM capabilities of both Microsoft and IBM.



The Wainhouse Research Summit 2005 will be held July 13-14-15 at the Colonnade Hotel in Boston, MA. Mark your calendars now for what will undoubtedly be the conferencing and collaboration event of the season. Details to follow.

- Mitel has announced an agreement with Microsoft to develop a signaling and media gateway to complement Microsoft Office Live Communications Server and the upcoming communication client code-named "Istanbul." Mitel's signaling and media gateway is based on SIP, XML and CSTA standards and will allow Microsoft's applications to access Mitel's IP-based call control, devices and applications.

- [DataComm Services](#) has released The Data Conference System (DCS), a software application that enables a Windows-based PC to act as a web server and share its screen with multiple network-connected PCs. Client PCs can use a standard Java-enabled browser or install a lightweight viewer. DCS is available immediately and is priced at \$150 per host license. *Andy Nilssen adds:* While DCS works as advertised, there are the usual “geeky” limitations to the “PC-as-host” model – the same limitations that challenged NetMeeting. The host PC must have an IP address and open ports that can be “seen” by the client PCs; thus use behind a firewall/NAT requires port forwarding. Bandwidth from the host PC may be an issue when multiple PCs are connected. While DCS is based on the open source [VNC](#), DataComm Services claims to have worked extensively on VNC’s server code to tune it for conferencing, improve stability and reliability, and includes multi-party support in its license.
- eLearning and Web conferencing solutions provider Elluminate has announced Elluminate Live! 6.0, building on the company’s Java-based Collaborative Communication Framework (CCF). Version 6.0’s support includes live video, multimedia content such as movie playback in Flash and Shockwave formats, and synchronized Web browsing with individual interaction. The design is based on VoIP as well.

18 November SpotLights Webinar – Americas



The Business Case for On-Demand Rich Media (ODRM):

The 5 C's Driving Need in the Corporate Sector

Date: 18 November, 2004 **Time:** 11:00 a.m. Eastern Time (New York)

Speakers: Paul Ritter, WR; Joseph Gustafson, CEO, Brainshark.

[Click Here to Register - Americas](#)

The business use of on-demand rich media for applications such as employee training, sales and marketing, and channel partner communications has been on the increase. This SpotLights seminar will present insights on the growing market for on-demand rich media (ODRM), provide guidance to businesses for evaluating and utilizing ODRM solutions, and Paul Ritter and Joe Gustafson will provide answers to the following questions.

- What exactly is ODRM and why is it so important?
- How is ODRM being used enterprises and small businesses?
- What are the primary business applications for ODRM?
- What are the important criteria for evaluating different solutions?
- What business value have companies been able to achieve with ODRM?

View an on-demand [Sneak Preview](#) of this event with Analyst Paul Ritter

Brainshark, Inc. is a leading provider of rich-media solutions enabling average business professionals to create, manage, and share on-demand presentations that combine voice, text, graphics, and business documents.

Web conferencing services are provided by [WebEx](#), a provider of online meetings, web conferencing, teleconferencing and video conferencing services that power today's enterprise.

Audio conferencing services are provided by [Netspoke](#). Netspoke delivers fully integrated web and audio conferencing through its Conferencing Hub™.



Looking for a job?
Check out the [Wainhouse Research Job Bank](#).
Two new jobs listed this week.

24 November SpotLights Webinar – Europe



Key Technologies & Trends Fueling the Growth of Visual Communication

Snorre Kjesbu, VP of Technology & Innovation, TANDBERG

Date: Wednesday 24 November 2004 **Time:** 10am London

[Click Here to Register - Europe](#)

The future of Visual Communication and Collaboration technologies will impact your business: what resources will need future investment? What tools will provide a competitive advantage? This session will cover the barriers to mass adoption of visual communication and how these are being addressed, as well as eight key technologies that are fueling growth: Endpoints, Network Products, Video Telephony, SIP, Presence, Firewall traversal, Security and Management. You will also learn about technology trends that are driving the industry, and be able to better forecast the impact of new technologies that are on the horizon.

Snorre Kjesbu is Vice President of Technology & Innovation for TANDBERG where he is responsible for TANDBERG's technology strategy, innovation, and IPR.

[TANDBERG](#) is a leading global provider of visual communication products and services developing and marketing systems and software for video, voice and data.

TANDBERG

Web conferencing services are by [WebEx](#), a provider of online meetings, web conferencing, teleconferencing & videoconferencing services.

webex



December SpotLights Webinars – Americas & Europe



Transforming Business Communications: Embedding SIP-Based Collaboration into Enterprise Workflow Solutions

Al Balasco, Avaya

Americas Date: 9 December, 2004

Time: 11:00 am Eastern (NY)

SAVE THIS DATE

Europe Date: 16 December, 2004

Time: 10:00 am GMT (London)

SAVE THIS DATE

Details forthcoming.

AVAYA

Dollars & \$ense

- Privately held AGT reported that its third-quarter revenue totaled \$6 million, and total revenue in the first nine months of 2004 topped \$20 million, a 40 percent increase over the comparable period of the prior year. The company credits new managed services contracts for propelling the growth in revenue and for its record setting backlog.
- Communicast, a services company for web-based events, has merged with Vcall, the webcasting specialist for investor relations provided by [WILink](#).
- British Telecom has signed a definitive agreement to acquire Infonet, one of the world's leading providers of international managed voice and data network services. The transaction values Infonet at \$965M. Excluding Infonet's net cash balance of \$390M, the aggregate value of the deal is \$575M. The deal is expected to complete in the first half of 2005. The deal significantly extends BT's reach in North America and Asia Pacific.

People & Places

Verso Technologies, Lew Jaffe, President and COO

WebEx, Bob Heil, President and COO

One on One with Equant's Jean-Mathieu Tilquin, Head of Real-Time Collaboration Solutions



WRB: Who exactly is Equant. And how is the company related to France Telecom?

JMT: Equant is a recognized industry leader in global communications services for multinational businesses. We combine network expertise with expanded service capabilities. Our network reaches 220 countries and territories. So our focus is on the world's top companies and to do that, we need the industry's most extensive portfolio of communications services and network solutions.

WRB: Like What?

JMT: For example, Equant's market-leading IP VPN is used by nearly 1,300 global businesses. We pride ourselves on being rated tops in customer satisfaction.

WRB: And what about France Telecom?

JMT: France Telecom owns 54.2% of Equant share capital. The remaining 45.8% is publicly held. To make it simple: Equant is the International subsidiary of France Telecom that serves any multinational corporations (only MNC's: no consumer market, no SME's) with Global needs.


WRB: Are you strictly an IP video network provider. Is your network capable of supporting converged voice, video, and data services?

JMT: Equant should be seen neither as a network provider only nor as a conferencing service provider only. Equant is really a solution provider capable of providing all the elements to build a solution that best answers our customer's needs. We are capable of proposing Network, Telephony, Video, Data, Messaging, Security solutions – all fully tailored to our customers needs.

WRB: What is the technology used here.

JMT: The basis is Equant's MPLS IP VPN. Our network is configured with five classes of service. Thanks to the CoS mechanism, we are able to guarantee all applications optimal performances. On top of these VPN transport capabilities, we have rolled out services platforms to offer VoIP, IP telephony, IP videoconferencing, as well as audio and web conferencing services. Our IP VPN network is not a "dumb IP pipe", it is really a fully convergent IP plug that we bring into our customers premises (with a fully convergent access line and CPE router) that supports all their data, voice and video needs.

WRB: A lot of companies seem to be offering MPLS-based IP VPNs these days. What is Equant's distinctive competence. Why do customers buy from you?

Rich Media Conferencing Calendar	
WHEN & WHERE	WHAT & WHO
November 11, 2pm EDT, on-line	Seminar by Alan Greenberg of Wainhouse Research on " The Emerging Value of Virtual Labs " for software training
November 16, Eatontown, New Jersey	Conference on " The State of the Conferencing Industry "
November 17-18, Olympia, London, UK (www.wave-conferencing.com)	 <p>WR's Marc Beattie and Andy Nilssen are WAVE presenters. See you there.</p>

JMT: Our business model is very expansive. We have five capabilities that we bring to the customer. Not many of our competitors can do all of these things.

One – Our IP Video solution is a full solution that offers video equipment sales, installation and maintenance, network transport through our convergent IP VPN network, as well as videoconference bridging and management services through our video service platform.

Two – Equant's IPVPN is a fully private and fully managed global infrastructure that enables us to guarantee an optimal Quality of Service for Real-Time applications like Voice, IPT or Video. This guarantee quality is backed-up by strong SLA's

Three – We have great coverage. For example, our video solution is available in more than 92 countries with direct IPVPN connections

Four – We stress our deep expertise in IP video. We were actually one of the first global carriers to introduce a specific Class of Service for IP video over a fully private convergent network. This was back in September, 2002.

Five – We use a consultative approach to selling, whereby we will asses, pilot, plan, and manage any new solution introduced by our customers.

WRB: How do people connect to your network. What is the last mile?

JMT: Equant provides full access diversity depending on each site's specifics. The list includes leased lines, broadband DSL and cable, Internet/IPSec, Ethernet, and satellite as well as a variety of mobile access such as Dial, GPRS/3G and WiFi based on Business Everywhere, France Telecom's first integrated range of mobility solutions for businesses. Equant's DSL availability will reach 50 countries by December and already connects more than 3,000 customers' sites around the world. Additionally, Equant offers access to 7,000 Wi-Fi hotspots in more than 30 countries in Europe, North America and Asia, and we expect to be at 14,000 hotspots this year. Even more appropriate for your readers, we are supporting IP video through WiFi access.

WRB: Do you provide video bridging and gateway services, or is this done through your channel partners?

JMT: We have deployed a comprehensive videoconferencing platform with bridging, gateways, scheduling and reservations systems, and a helpdesk. Some of this is provided through a strong partnership we have formed with Genesys Conferencing.

WRB: ISDN is strongly entrenched in France. Do you see customers moving to IP for video. It would seem that your parent France Telecom stands to lose revenues as customers move off ISDN.

WRB: I think the future is in IP video for all the obvious reasons – better quality, reliability, and cost. France Telecom understands this as well. You can't fight technology progress. Even the French realize this.

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