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Turnabout at Polycom

You can't make this stuff up. First Johnny Damon went from the Red Sox to the Yankees, and now Andy Miller moves from Tandberg to Polycom (with a few stops in between). Whether Andy is an industry icon, as claimed by Polycom in the press release headlines, might be debatable, but he is certainly an experienced high technology manager and dynamic leader taking what is undoubtedly the most demanding position in the industry today - EVP for Global Field Operations at Polycom. Indeed, Mr. Miller is well-known for his drive, focus, and sales success and is "uniquely qualified for this role." Andy was CEO and co-chairman at arch-rival Tandberg from the beginning of 2002 to his most-abrupt departure at the end of 2005.



Andy Miller

While at Tandberg he built up the sales organization, made several acquisitions, and struck alliances with both Cisco and Microsoft and is widely credited for taking Tandberg to the next level.

How does his relentless, take-no-prisoners reputation compare with the numbers? Here are some Tandberg stats from the beginning and end of Andy's tenure as CEO.

	TANDBERG	POLYCOM
Q1-2002 revenues	\$46.90	\$132.30
Q4-2005 revenues	\$82.90	\$156.10
Jan 2, 2002 stock price	105.25 NOK	\$36.17
Dec 27, 2005 stock price	41.00 NOK	\$15.03
Growth rate - revenues	15%	4%
Growth rate- share price	-21%	-20%
Share price-7/2/09	108 NOK	\$20

Andy is certain to bring in "his team" at Polycom as he did at Tandberg. Indeed, Brad Johnston, formerly West Coast Sales

Manager for Tandberg and then President of Tandberg USA (and like Andy a Cisco alumnus) has already joined the Polycom team. Turnabout is fair play, as someone once said. This one will be fun to watch. What's Next? Maybe Barack Obama will register as a Republican?

KPN to Acquire Talk & Vision

Dutch telecom giant KPN is buying a 51% majority stake in video managed services expert Talk & Vision. Talk & Vision will be merged with the videoconferencing operations of Getronics and KPN. The acquisition creates a company offering videoconferencing services worldwide, with a strong position in Europe and a market leading position in the Benelux. In 2008 Talk & Vision's sales amounted to 13 million € KPN will increase its stake in Talk & Vision to 100% in 2012.

Comments: You should read this as a sign of things to come. Video and video managed services are becoming increasingly important for reasons we all understand. Global companies are going to want global support and to get out from under the burden of dealing with a multitude of resellers and support organizations. Network guys have the footprint, but not the video expertise, so the partnership makes lots of sense, especially when you look at the opportunities to invest and create a technology-driven remote managed service. Stay tuned.

Annual Videoconferencing Survey Launched: Please Help Us Out

This is our fifth annual survey of videoconferencing users. Complete our 16-question survey and you will be entered automatically into our drawing for ten GRAND prizes- each one a \$50 gift certificate for yourself AND a \$50 donation to the charity of your choice. We need your inputs, so please take 5-6 minutes to help us out. Click here: www.wainhouse.com/vcsurvey .

News in Brief

- ClubCorp announced that it has joined the Affinity VideoNet affiliate network. The agreement will offer Affinity VideoNet customers and ClubCorp members access to ClubCorp's more than 50 HD videoconference suites located in major markets in the U.S., and the ability to connect with thousands of Affinity VideoNet rooms in more than 60 countries around the world.
- Logitech has introduced Vid – software and a service designed to make videoconferencing so easy even your great grandmother could do it, provided she has a PC or Macintosh and a webcam. The key here is streamlined setup and a simple, intuitive interface. Vid is available for download at www.logitech.com/Vid and is free for anyone with a Logitech webcam or anyone who is invited by a Logitech webcam owner. Vid is set up automatically when you plug in your Logitech webcam. When you're ready to make a video call, Vid uses your friend or family member's e-mail address to connect. Your friend simply accepts your e-mail invitation to participate in a video call on Vid, and you're both connected and ready to chat.

I asked Logitech about the unusual pricing scheme, and John Skeehan replied as follows: “There are three situations: 1) a Logitech camera user; 2) an invited friend of a Logitech camera user; and 3) a non-Logitech camera user with no Logitech camera users in their contact list. Our camera, client and service solution allows #1 and #2 to use Vid for free forever. At installation, the software is installed as a “30 day trial”. Then, by plugging a Logitech camera OR by adding a Logitech user to your contacts, the “30 day trial” aspect of the client/service is converted to a full, free-forever, solution. In the case of #3, the client installed is a 30 day trial version. At the end of 30 days, the trial expires and the user is prompted to purchase a Logitech camera or add a friend who has one. The check of the conditions (camera and friend's cameras) is done in real time in the client and on the Logitech Vid server side. Once a trial version is converted to a free, full version, it never reverts back.

- Xceed Solutions, has taken control of the Asia-Pacific operations of Aethra SpA, as part of a major restructuring. Under the new deal the Italy-based vendor will retain a 25 per cent share in the regional joint venture. Xceed will hold the remaining 75 per cent. The newly formed entity will be named Aethra Asia-Pacific and hold exclusive distribution rights for Aethra products in the region for 10 years.

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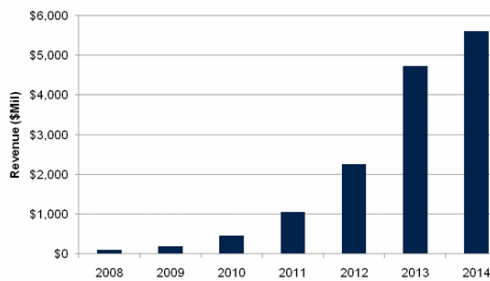
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News from Wainhouse Research

New Study Analyzes the Delivery of Unified Communications as a Service (UCaaS)

The latest WR Unified Communications study describes the hosted UC market and the forces driving companies to host, rather than house, their UC solutions. *Unified Communications as a Service: Hosted UC Market Strategies, Solution Offerings, and 6-Year Forecast* is a unique analysis that compares the TCO of a hosted UC solution to a premise-based solution over a three-year operating period.

Worldwide UCaaS forecast revenues, 2008-2014



Source: Wainhouse Research, June 2009

Hosted unified communications is a nascent opportunity at the cusp of becoming a big business. While WR estimates the current market to be less than \$200 million, robust growth is projected. All of the vendors with established unified communications as a service (UCaaS) offerings are reporting double-digit growth. WR forecasts this sector will become a \$5 billion business by the end of the forecast period.

The report by distinguished WR analyst Brent Kelly reviews 16 hosted unified communications solutions including those from hosted messaging providers, hosted VoIP vendors, carriers, and from the major premises-based UC providers - Microsoft, IBM, and Cisco. While each vendor has its own value proposition, the

cost comparison between hosted and premises-based solutions is not always clear differentiator. In addition, the report points out that the case for hosted UC is clearly not for lower cost alone.

To read the Executive Summary and review the Table of Contents of this report please visit www.wainhouse.com/ucreports.

New Studies Concludes Worldwide Online Collaboration Services to Grow to \$7.1B

During the last six months WR has interviewed over 90 CSPs around the world and compiled a series of studies that sizes and forecasts online services, and profiles service providers in 20 local markets. CSP studies that have been released in 2009 include:

Forecasts & Provider Reviews

- European Local CSP Markets 2009 – covers 12 local markets
- North American CSP Markets 2009 – covers US and Canada
- Asia Pacific CSP Markets 2009 – covers 6 local markets
- RMC – Collaboration & Conferencing Service Providers – summary market sizing and 5-year forecast of worldwide and 3 regions, and analysis of major providers

Addressable Market Analysis – an analysis of employed labor force, country characteristics, and the opportunity for use by each local market

- European Addressable CSP Markets 2009 – covers 12 local markets
- North American Addressable CSP Markets 2009 – covers US and Canada
- Asia Pacific Addressable CSP Markets 2009 – covers 6 local markets

Quarterly Trending Analysis

- CSP SpotCheck - quarterly analysis of worldwide market, 3 regions, and 11 local CSP markets – compiled from minute and revenue data collected from 40 CSP

Clients are now able to select a country or countries within a region and WR will customize a study that includes **Geography** (worldwide, regional & local data) and **Specific Data** (market sizing, 5 year forecast, provider reviews & opportunity analysis). Details are available at www.wainhouse.com/csp. For assistance with your market intelligence needs, including study samples, contact Sara Fargo, sfargo@wainhouse.com.

Mark Your Calendar: July 28-29 in Boston

WAINHOUSE RESEARCH
**COLLABORATION
 FUTURES
 SUMMIT09**

Is this the time for your company to pull in its horns and cut spending to the bone, or should you be investing in cost-savings measures for the future – solutions that can help you do more with less, and improve your corporate stance vis a vis the environment at the same time? What are the trends that are driving the conferencing and collaboration industry and how will these affect

your ability to use these solutions in the future? What about NETWORKS? And what about MANAGED SERVICES? How are the vendors preparing for the next five years, and how are other customers using solutions today? Come listen, learn, interact, and contribute.

If you can't make it to Boston this year, do the next best thing and [attend via an interactive webcast](#). Through our partnership with ON24 we will webcast the Summit sessions in real time. Archives will be available as well.

Whether you are a supplier, channel partner, customer, or industry guru, this is the one collaboration event you can't afford to miss. Full details at www.wainhouse.com/boston09.

CHECK OUT OUR star-studded [AGENDA](#) which includes:

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Rich Baker
 Glance Networks
 Beyond the Weeds: Innovations that could revolutionize rich media communications



Steve Bleiberg
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 Challenges in the large enterprise: skid marks where the rubber meets the road



John Bartlett
 Netforecast
 B2B Video over IP: Architecture Tradoffs and Future Solutions

PANEL DISCUSSION (7/28)

Collaboration deployment strategies. Hosted vs. managed services vs. DIY; how does UC or desktop video change the equation.

This will be followed by a networking reception and then an optional [Twitter Bootcamp](#).



Sascha Hach
 Google
 Collaboration in the Cloud for Enterprises



Chris Carr
 Masergy
 Major Trends Driving the Evolution of IP Video Networks



Bob Romano
 RADVISION
 The challenges of using video outside the corporate network

PANEL DISCUSSION (7/29)

Video over IP: Where are we now, and when will the network services really be here? Is B2B a pipe dream?

Event Calendar

Conferencing & Collaboration Events	
When & Where	Who & What
July 28-29; Boston, MA, USA	Wainhouse Research Collaboration Futures Summit
September 16, Zurich, Switzerland	Point Nine : Using Video beyond the Corporate Network
October 11-14, Anaheim, CA USA	Polycom User Group Annual Conference
October 26, Boston, MA USA	Wainhouse Research CSP Summit
April 20-21 2010, Berlin, Germany	Wainhouse Research Collaboration Summit

More News in Brief

- Polycom announced its digital enhanced cordless telephony (DECT) based wireless voice systems have been certified for use with Cisco Unified Communications Manager by tekVizion, an independent third-party lab.
- SPIRIT DSP, a provider of carrier-grade voice and video software engines, has introduced its TeamSpirit 4.0 Conferencing Engine solution with scalable architecture based on H.264 SVC video technology.
- Marriott has become the latest entity to enter into the telepresence suite rental business, partnering with ATT for network and a relationship with Cisco. Marriott plans to locate telepresence meeting suites in 25 global gateway cities, including New York, San Francisco, Washington, Hong Kong, Shanghai, Frankfurt and London, in its Marriott Hotels & Resorts, JW Marriott Hotels & Resorts, and Renaissance Hotels & Resorts. The first telepresence meeting suites are expected to go live at the end of October. The Marriott telepresence suites will also be able to connect to existing private Cisco TelePresence locations throughout the world through the use of the AT&T Telepresence Solution intercompany capabilities.
- Starwood Hotels and Tata Communications have teamed up to roll out more public telepresence rooms worldwide, with 10 new Cisco suites scheduled to open up in Starwood hotels by the end of 2009.
- Orange Business Services has launched the pilot of a managed videoconferencing service that connects companies regardless of the equipment or the type of network they are using.
- Telstra has added a B2B connectivity function to its Cisco Telepresence managed videoconferencing service, enabling businesses with Cisco gear to set up ad-hoc videoconferences with each other.
- Attend Anywhere (see interview below) has released version 3.0 of its videoconferencing event management platform. This release includes desktop videoconferencing based on the Vidyo software as well as two new self-service portals: Attendanywhere.com and ConsultAnywhere.com. Retail services start at 36 cents Australian per minute for pay as you go. Annual starter pack subscriptions are \$1250 AUD for 10 users.

Comments from [Stacy Austin-Li](#): HD videoconferencing to the desktop over the Internet could definitely be a game changer for the industry. Think mobility, think SMBs, think inter-company communications. Attend Anywhere has integrated another component critical for the success of a credible enterprise grade videoconferencing ASP – the conferencing management service. Integrated scheduling, billing and reporting differentiate the offering from consumer crossover alternatives. These are the types of details that start to make video easy to use. Maybe even easier to use than not to

One on One with Attend Anywhere CEO Chris Ryan

Stacy Austin-Li, stacy@wainhouse.com



Chris Ryan
Melbourne, Australia

WRB: What is Attend Anywhere?

CR: Since 2002 Attend Anywhere (www.attendanywhere.com) has been bringing together all of the human, logistical, and business and well as the technical components of videoconferencing in an open architected environment to enable inter-organizational video conferencing on a scale that, as far as we know, is unique worldwide (e.g. weekly lecture series of 90 independent sites, 700 people across 7 CSP's).

Over the last ten years, these efforts have developed into a web based management platform that makes it easy to integrate high quality videoconferencing into an event. We deal with everything from event management, facilities management, reporting, logistics, billing, directory services, presence information, and now click-to call desktop videoconferencing based on the Vidyo software. As of this summer, we offer retail accounts that allow anyone with a laptop, a webcam and Internet access to create her own network of contacts and start making high-quality video calls for 36 cents Australian per minute. For the organization's CIO and for other CSPs we provide a comprehensive range of backend management and support functions that enables the use of the customer's own video infrastructure. Customers can use the Attend Anywhere portal or have their own customized and branded management portal.

WRB: Why did you make the transition from managed services to becoming a videoconferencing service provider?

CR: Our goal has always been to make it easy for providers to say, "yes, you can come by video." So, providing low-cost, sustainable video services seemed a logical next step for us. Wainhouse Research actually played an important part in the development of our latest platform – the self-service version. We had our first demo of SVC and Vidyo at a WR Summit in 2007. We had evaluated many web-based solutions, but hadn't found anything that fit our requirements. The solution had to be single click, simple to use, deliver a high-quality in-person experience over the Internet, go beyond individual and enterprise networks, display high-quality slides/images simultaneously with video, and work in mobile environments. From that point of view, Vidyo and SVC have been game changing.

WRB: You also offer Skype support/integration as part of the retail offering. What was the thought process behind that decision?

CR: Our role is to make it easy for people to connect. If all people need is a reasonable quality point-to-point video call without slides or images, Skype is a valid option, especially if both parties are already on Skype. We are happy to integrate any videoconferencing solution that works. Vidyo and SVC is just head and shoulders above everything else we have seen.

WRB: Andrew always asks, "What keeps you up at night? So...."

CR: Figuring out the best way to communicate the enabling and catalyst role that Attend Anywhere can play.

WRB: What is next for Attend Anywhere?

CR: We are beginning a new path with the self-provisioning software. Our customers are more diverse and we are adding more individuals and small enterprises. Now a small medical practitioner or enterprise has an option beyond Skype or Oovoo that includes HD video, billing, and management. We would like to play a larger role in helping people connect – whatever the platform. Right now, inter-organizational connectivity doesn't really exist.

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