

Couple of interesting stories in this issue, including a summary of our experiences at Lotusphere in Florida last week. Perhaps the major product announcements this week are the Cisco stories based on “telepresence” ... and if our imagination isn’t running wild on us, telepresence is starting to look a whole lot like videoconferencing. (See our research note [The Telepresence Vanishing Act](#)). The other major action is taking place in the Polycom world, with new relationships being formed with Siemens Enterprise Communications (SEN) and the anti-Cisco, Juniper Networks. After a short Skype-related update, we end this issue with a short interview with CEO Ben Chodor of Stream57, the most recent merger/acquisition target.

Report from Lotusphere 2010

Brent Kelly, bkelly@wainhouse.com

Last week Wainhouse Research’s Brent Kelly (right) and Marc Beattie (left) were guests of IBM at Lotusphere’s user conference in Orlando. Lotusphere is like a three-day rock concert for Lotus software fans and prospects. There were a lot of client testimonials from new and existing users kicking out Microsoft and piloting - or in various phases of full deployment - for Lotus’ Unified Communications and Collaboration (UC&C) suite. The key messages were a) Lotus can meet your needs for hosted, managed, on-premise, or hybrid deployments, b) Lotus can work with legacy software and telephony, partners and competitive UC&C (e.g. Microsoft SharePoint) to provide compelling hybrid solutions based on user preferences, and c) Lotus UC&C and partner solutions address the users most important considerations – cost savings, driving organizational productivity, and deploying solutions that have the least impact on IT.



The main kickoff event is always a lively Monday morning extravaganza featuring live, upbeat music, a guest speaker that is a tightly held secret, and numerous announcements and reports on Lotus products and partner solutions. This year, William Shatner, a.k.a. Captain Kirk of Star Trek fame, gave the opening keynote illustrating how collaboration is at the heart of Hollywood’s movie making business.

During the opening general session, IBM announced what it refers to as the Collaboration agenda. This is an initiative that brings together the vertical expertise from IBM’s

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software lab specialists and the company's consulting service experts to help companies achieve measurable business value and returns by improving the way people interact.

Out of the chute, this new initiative will support four significant industries including healthcare, banking, insurance, and government – with more to be added throughout 2010. The point of this is that software, services, unified communications, and a host of other technologies do not really matter unless they produce measurable business value. This has been a general malaise with the unified communications industry – the lack of measurable ROI. IBM intends to combine its Software Laboratories, Global Business Services, and Global Technology Services to help companies achieve real business benefit from collaborative technologies of all types.

Another key takeaway from Lotusphere is the new Lotus Knows branding campaign. The Lotus brand has decreased in stature as those who know and love Lotus' products have grown old and gray. This campaign, which displays Lotus Knows ads in airports, on cabs, on TV, and even on buses, is designed to revitalize the Lotus brand for a new generation of technology savvy people.



Lotus showed enhancements to both its shared workspace software, Lotus Quickr, and to Lotus Connections, Lotus' social software environment. The company made a significant statement when it indicated that Lotus Notes is the primary dashboard for email, collaboration, and social networking. Notes has been under attack by Microsoft, and the inordinate amount of coverage given to Notes may have been to help deflect the threat Lotus Notes truly is under. IBM also made statements that over 18,000 new customers have signed on to Notes since the release of version 8.

During a keynote on day 2, the LotusLive team emphasized iNotes, a hosted email solution obtained through the acquisition of Outblaze's email service assets. A few years ago, who would have thought that email would surface to the forefront of the conversation at large conferences like Lotusphere. The LotusLive hosted email service costs \$3/user/month. Interestingly, Cisco also emphasized its new hosted email client at the Cisco analyst day last November. With IBM, Microsoft, and Cisco all sporting hosted email solutions, you can bet there will be some big initiatives toward moving companies toward hosted email and UC solutions. A few days before Lotusphere, IBM announced that Panasonic had selected IBM LotusLive as the collaboration platform for its entire global workforce (300,000). Panasonic was already an IBM technology user, and although it evaluated other services, it felt that IBM was in the best position to deliver a hosted collaboration service on a global basis.

In the Sametime product line, there were some significant developments. Sametime Unified Telephony (SUT), Sametime's methodology for interfacing Sametime with telephony solutions from multiple manufacturers, was discussed by several customers. IBM did say that SUT could allow companies to discontinue purchasing new deskphones in favor of using Sametime's new SIP client as a softphone. Removing the handsets can save 1/3 to 1/2 of the cost of a new telephony deployment.

Sametime now also supports SIP-based H.263 and H.264 video at resolutions up to HD. Out of the box, Sametime supports up to six participants in a multiparty voice activated

switching call. However, partner companies are able to easily interface with Sametime to provide continuous presence video as well as integration with telepresence, group, and H.323 video endpoints as well as telephones. Radvision's integration with Sametime was demonstrated on the main stage and on the show floor. (Polycom was also present but with a flash demo.)

Another Sametime development is the new Sametime zero download AJAX client. This meeting room client works with both the Sametime thick client as well as with a Web-based thin client version. Slides display instantaneously on the remote participant's screen with no download required. Furthermore, the voice and video in the meeting room is now identical to that in the Sametime Connect client.

Lotus announced that over 18 million people now have LotusLive accounts, although no breakdown was given on how many were actually paying and how many were free or demo accounts. LotusLive also announced the availability of LotusLive Labs, which is a joint development between the LotusLive team and IBM Labs to bring useful software tools to market quicker. The idea is that IBM Labs can get real world feedback much more rapidly via LotusLive than if it goes to the effort to productize something and then get market feedback. It can be thought of as a sort of software incubator or pre-Alpha access to software. The first four capabilities in LotusLive Labs are 1) Slide Library – makes finding a

Introducing one of the WR Bulletin Sponsors

Haeden Bridge is one of the leading Korean providers of rich media video and web conferencing software platforms. Intended for systems integrators, TOMMS FACTORY Enterprise 2010 is a family of solutions that supports up to HD videoconferencing and telepresence or webinar modes for rich media communications. All of these solutions – from the desktop to Telepresence – are designed to run on broadband networks. Haeden Bridge works with leading Korean system integrators including the recently merged Samsung SDS/Networks, Hyundai BS&C, LG CNS, and SK Broadband and as well as service providers such as Korea Telecom and Scartel in Russia to offer converged video services over Wimax. The TOMMS FACTORY platform is designed for a Windows environment and utilizes Microsoft's DirectShow multimedia framework; the company is currently working with Microsoft APAC to integrate its product into OCS for a fuller-featured video offering .

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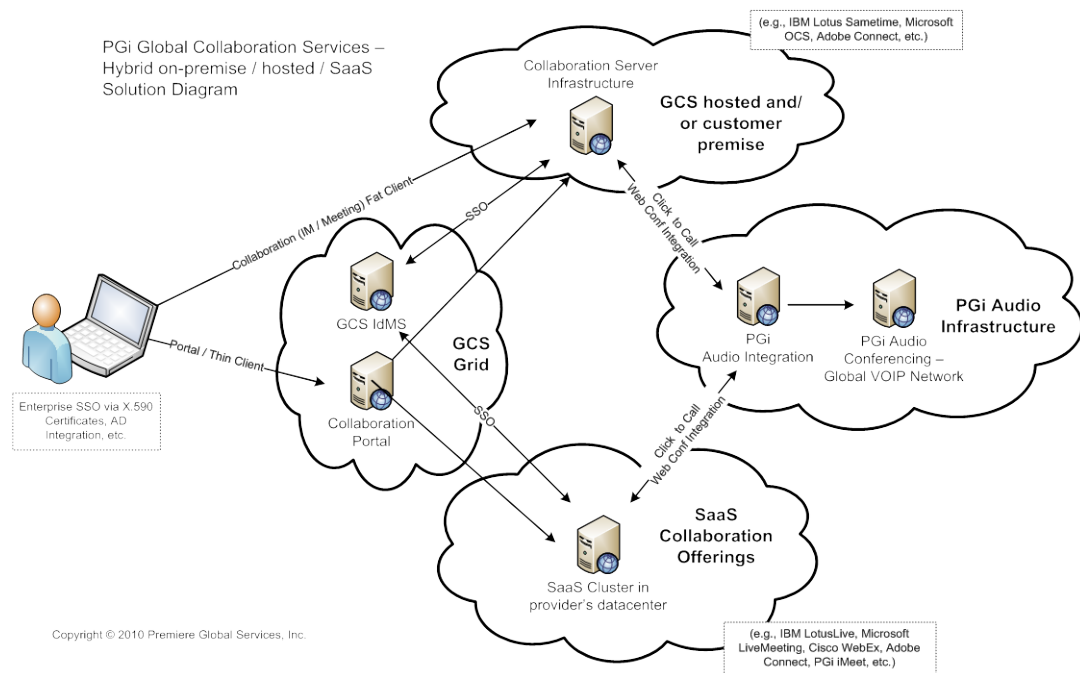
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particular slide much easier, 2) Collaborative Recorded Meetings – software that can record and transcribe meetings and then allow people to find the exact portion of the meeting they need very quickly, 3) Event Maps – an interactive application that lets people view multi-track conference events in a new way (browsing conference sessions, seeing session locations on a map, tagging and rating sessions, etc.), and 4) Composer – this application allows users to use flow charging technology to mashup email, forms, and collaboration tools into a business workflow process.

IBM also announced Lotus Vulcan. It's amusing that the Star Trek captain would appear on stage during the same session that Project Vulcan would be announced – there must be a tie in somewhere. Project Vulcan represents the future of the IBM Lotus product portfolio including Notes, Quickr, Connections, Sametime, etc. One of its key themes is combining social and business analytics to make collaboration more focused and relevant while filtering out all the noise people are subject to now. Scheduled to be released to developers in the second half of 2010, Project Vulcan intends to deliver collaboration across company boundaries, make collaboration technology easy to deploy, and provide developer-friendly services and APIs.

Several new partners were announced for LotusLive. One of the most compelling visions we saw for a CSP tapping into this world of UC was that offered by Premiere Global.

Premiere Global recently announced a service offering that included both cloud-based collaboration offerings and managed on-premises offerings. Although not specific to just IBM Lotus products, Premiere Global's offering provides hosted IBM LotusLive and premises-based IBM Lotus Sametime. At the back end of either type of collaborative session is Premiere Global's audio conferencing infrastructure. An interesting tidbit surfaced during our conversation: Premiere Global can also provide global SIP trunking to customers. This is compelling because Premiere Global already has relationships with the carriers around the world, and a company can come to Premiere Global, run a connection to Premiere's point of presence in an area, and put their voice or video traffic on Premiere Global's IP network.



There were numerous announcements around Lotus Foundations, IBM Lotus' SMB appliance that offers Notes, Sametime, firewall, directory services, storage, backup, etc. One of the more unusual integrations was with Xerox for document imaging and management. A high end Xerox copy platform can be integrated with Foundations, giving users access to Notes and their shared workspaces from the Xerox user interface. What makes this integration, along with telephony integrations from NEC, ShoreTel, and BroadSoft compelling is that resellers to the SMB market can potentially triple their sell to the SMB customer. Whereas they might have sold only a server before, with these product integrations resellers can sell servers, telephony system, and imaging/document management solutions. The beauty of these solutions are that they self configure at the customer site using autonomics, and they give the reseller an opportunity for a continuous revenue stream with less labor required because these devices can be maintained remotely. Lotus Foundations is growing so rapidly that IBM recently put it into its own division with proper manpower, including sales, marketing, development, management, and support.

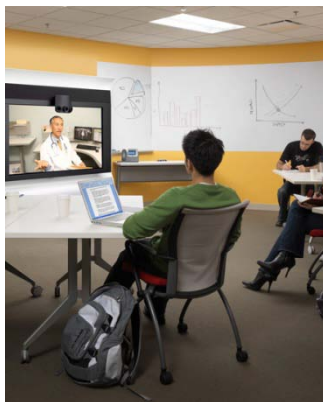
In the area of mobility, IBM has a strong play, making most of its collaboration product portfolio available on mobile devices including smartphones and browser-based applications. There will be versions of these products available on Android devices shortly.

Clearly there is a lot of activity and product development out of the Lotus organization. The proof now will be how well these products and solutions do in the market. Notes and Sametime have been under siege by Microsoft while IBM responds in kind by giving away free versions of office productivity software and is actively promoting free Linux operating systems. These companies are in a fierce battle.

Overall, we believe the IBM Lotus product portfolio is well conceived and that it should resonate with the business user. The company's Collaboration Agenda should help it penetrate the targeted verticals with collaboration applications that work and that provide measurable value. Throughout the year, WR's newly formed Unified Collaboration Practice (UCP) – which combines Collaboration Services (CSP) and Unified Communication technologies – will discuss IBM's strategy and market situation, along with other competitors in reports and articles within the UCP's subscription service. For a full briefing on WR's Unified Collaboration services, contact Sarah Fargo at sfargo@wainhouse.com.

Cisco Launches Multiple Telepresence Initiatives

Cisco is kicking off calendar 2010 with a slew of video announcements from the "telepresence" team. Part one is based on two new endpoints – the CTS 3010 and 3210, replacing the CTS 3000 and 3200 respectively. The major enhancements include a new 40" LCD for data sharing replacing the previous generation's projector, a new light shroud and diffuser, and a more energy efficient (25%) hardware platform. Design modifications also cut the installation time by 40% according to our Cisco briefing lady. What could be of even more importance to the industry and to the videoconferencing customer base is Cisco's Telepresence Interoperability Protocol, an open standard endorsed by Cisco and three as yet un-named competitors. If adopted, like any other interop protocol, this could expand the market for everyone while making life easier for users.



Perhaps the most interesting piece of Cisco's multi-faceted announcement is the company's "telepresence experiences." These are compelling applications that are based on embedding CTS systems into higher level user systems. Examples include EDU (classroom of the future), a team brainstorming system, a telepresence-based "remote demo center," and a studio for producing live streaming sessions. The telepresence

experiences are based on tight collaboration between Cisco's product development group and the Advanced Services (AS) organization. AS makes sure there is consistent customer support for the product AND the application and does whatever training is needed for Cisco's internal people and the customers. So, both the telepresence business unit and the AS team are working to provide complete solutions (design, peripherals, etc.) based on telepresence technology.

Our observation: you've got to love this approach since it essentially melds products and services, embeds the technology into the customer's work flow, and eases the adoption of video systems. Kudos to Cisco. At the same time, we hasten to add (did we forget to say we told you so?) that these great solutions are really videoconferencing solutions and not "telepresence" as most people would think about telepresence. We've had our running arguments with several vendors (especially Cisco) about the difference between videoconferencing and telepresence and we're not suggesting we return to the debate; rather we just declare ourselves to be the winner. Our proof point is the Cisco Telepresence Experience!

Polycom Partners with 1) SEN and 2) Juniper

On January 21 Siemens and Polycom announced a unified communications partnership that is based on integrating Polycom's complete suite of videoconferencing systems with Siemens' OpenScape unified communications platform. This is a strategic alliance and global resale agreement – Siemens will resell Polycom gear. Siemens will also offer customers solutions supported by the company's OpenScale Services, a portfolio of professional and managed services and solutions. This is a win-win deal here for both companies. The interesting observation, of course, is that the press release is remarkably similar to the Siemens-Tandberg press release of September 23, 2009, just seven days before the Cisco-Tandberg announcement. So, either we're all playing along nicely and working with "all the other leading providers" or we're gearing up to face the coming onslaught from Cisco. What do you think?

In a totally separate announcement, Polycom and Juniper announced a joint development alliance to integrate Polycom's video call control system (DMA and RMX) to Juniper's Junos Space platform and the SRX series of Services Gateways. While the solution won't be available for several months, the alliance will deliver a very sophisticated video call admission control and bandwidth management system that enables assured-quality managed video services over a converged network. As a "conferencing-aware" network solution, it will help drive costs out of the videoconferencing (and telepresence!) network services by allowing service providers and their customers to maximize the capabilities of their existing network. WR appreciates how the partnership between these two firms creates an "intelligent network" for the delivery of videoconferencing and telepresence traffic. However, the fly in the ointment is that this solution applies only to Juniper-powered networks (ATT, Verizon, and Comcast are Juniper networks) and requires all calls (even point-to-point) to be hosted on an RMX bridge. And of course, cross-selling has always been a challenge in any partnership. Interesting food for thought: could a Polycom-Juniper alliance balance the Cisco-Tandberg merger?

Skype in the News

Seems like there is some Skype-related announcement almost every week these days. This week Avistar announced that it had concluded a world-wide, non-exclusive patent license agreement with Skype. The agreement grants rights for Skype products and services under Avistar's patent portfolio. An undisclosed payment was made to Avistar. Last week

ViVu announced VuRoom, an instant video and data collaboration plug-in for Skype that supports multipoint video. VuRoom also allows anyone with a phone and browser to join in the session. VuRoom is in the SaaS domain with a \$9.95/month subscription. Only the meeting host needs the ViVu plug-in. The new product complements ViVu's other web services intended for scheduled webinars and collaboration sessions.



New Research Studies from WR

Details on all WR studies can be found at www.wainhouse.com/reports, or contact Sara Fargo, sfargo@wainhouse.com or +1 781 934 6165. An Executive Summary, which includes the study's Table of Contents and ordering information, can be downloaded by clicking on each study's title below.

Worldwide Unified Communications Products and Services Markets Predicted to Exceed \$30 Billion by 2013



In its third annual *Worldwide Unified Communications Products Forecast* and *Worldwide Unified Communications Services Forecast*, WR examines the rapidly evolving unified communications market from both the solution vendor perspective and from the service provider outlook.

WebMetrics Survey Finds that Limited Resources is a Driver of Hosted Services



For web conferencing deployment, limited resources is the key driver for hosted services use, security the top driver for managed services, and control is most important as a driver for premised-based deployments, according to WR's latest *WebMetrics survey of web conferencing buyers and users*.

Report on Web Conferencing and Interactive Whiteboards in Education and Training



Wainhouse Research has just published *The Distance Education and e-Learning Landscape, Volume 3*, which covers the real-time learning tools market. The study finds that the prospects for interactive whiteboards, web conferencing, and platforms like Second Life are broad and deep.

Wainhouse Research in Berlin: April 19-20-21, 2010

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Once again we are planning our April conferences in Berlin. The CSP Summit will be a half day conference on 19 April, while the Collaboration Summit will follow on 20-21 April. We are lining up some dynamite speakers on key challenges facing the conferencing and collaboration industry. The market is changing rapidly, and we will be addressing business and technology issues that are of interest to a wide range of end users and service providers alike. If you would like to speak at this event, contact andrewwd@wainhouse.com; if you would like to learn more about being an event sponsor, contact sfargo@wainhouse.com.

Collaboration Summit Sponsors



SAVE THE DATES: The Collaboration Summit this year **will be streamed live and FREE** courtesy of Easymeeting. Registration details to follow.

Just a few of the featured speakers and presentations at this year's event include:



Thomas Pind
CEO Futurecom
Seven reasons your employees and colleagues don't adopt conferencing and what you should do about the situation



Stefan Karapetkov
Polycom
How UC and Telepresence are changing video protocols and interoperability forever



Andy Nilssen
Wainhouse Research
Team Workspaces 2.0: Get ready for the next level



Chris Carr
Masergy
The Future of Networks for Video

More Recently Released Analysis from WR ...

Distance Education

WR has released [Critical Success Factors for Deploying Distance Education Technologies: Implications for Practitioner Organizations, Vendors, and Service Providers](#). Based on research conducted by CILC and sponsored by TANDBERG, this paper explores the ways in which organizations that adopt technologies like interactive whiteboards, lecture capture, streaming video, learning management systems, videoconferencing, and web conferencing can face barriers to success, and ways of overcoming those barriers. Two factors are cited as the major obstacles to successful distance education: 1) lack of bandwidth and

technology infrastructure or old equipment; and 2) staffing. These and other obstacles fortunately can be overcome through proactive methods described by WR; the white paper includes practical suggestions for vendors and service providers as well as end user organizations. This white paper joins two other recent reports produced or contributed to by Wainhouse Research for TANDBERG. First is [The 2009 Update: Taking the Wraps off Videoconferencing in the U.S. Classroom: A National and State by State Analysis](#) that describes the amount of videoconferencing taking place in primary and secondary education in the U.S. Also WR provided essential research and analysis on video usage in education to [The TANDBERG Education Video Guide](#).

Visual Communications Practice (VCP)

Availability	Document Title and Link	Description
Public	Wainhouse Research on Tour - CES 2010	Highlights common themes and new products WR discovered at CES 2010.
Public	Benchmarking Videoconferencing Success	Provides recommendations and guidelines for organizations to measure and track their videoconferencing success.
Public	Collaboration within the Telepresence Experience	Explores how advanced collaboration tools provide additional value to the telepresence experience.
VCP Subscription	The Telepresence Vanishing Act	Analysis and insight into the anticipated disappearance of the telepresence market segment
VCP Subscription	Videoconferencing Industry Statistics - Q3 2009	Statistics on revenues, units, and market share.
VCP Subscription	Maximize AV Project Success By Understanding The Roles Of The Project Team	Identifies the project team roles for a typical commercial AV project.
VCP Subscription	It's All About Energy	Technologies demonstrated at the USGBC conference and the implications of the green movement for the AV industry.

An Apology from Andrew Davis

I owe Tandberg's Tolga Sakman an apology for "editing" his letter to the editor in the last issue of the WRB. I realize my attempt to inject self deprecating humor bordered on the inappropriate and may have harmed his reputation. Please accept my apology, Tolga.

One on One with Ben Chodor, CEO of Stream57



Just before going to press, InterCall announced that it has acquired Stream57. We called Ben Chodor to ask what was going on.

WRB. Before we get to the InterCall story, tell me VERY briefly, what is Stream57 all about.... And where did the name come from.

BC: Originally borne out of a partnership with the Greater New York Hospital Association, Stream57 is a streaming media and software development company. The company offers an unrivaled blend of software and services to provide businesses with the best possible tools for attracting and interacting with audiences in the most efficient and effective ways possible. The origin of the name Stream57 comes

from when we were a streaming company location on 57th Street in Manhattan. We have since been headquartered in two other locations, but stuck with Stream57 -- it's who we are. Plus, Stream26 just doesn't have the same great ring to it.

WRB: The major player in this enterprise streaming space seems to be ON24, if not Yahoo (or Cisco). How do you compete against them. What is the distinctive competence of Stream57.

BC: Stream57's stable and secure software has planted us firmly at the head of the industry and allows us to continue to be 18 months ahead of the technology curve. Our development team is staffed in-house and makes up one-third of Stream57 employees. They are constantly working on new features and releasing updated versions of our product, keeping Stream57 at the forefront of virtual event technology.

WRB: So, now comes the InterCall acquisition. What motivated you to agree to be acquired.

BC: The InterCall acquisition was an opportunity for us to potentially become the largest player in the space and to truly be a global solution for our clients, as well as InterCall's. Since this occurred, it has given Stream57 access to amazing resources and one of the best global sales forces in the world.

WRB: How will the InterCall deal affect your current customers.

BC: Our current customers will feel very little of the change. There may be a few changes in documentation procedures as a result of adapting to InterCall's policies, but all of our current, and future, clients will continue to be back by our dedicated team and continue to receive the support and services needed to execute the most engaging virtual events for their end users. Stream57 prides itself on not only our technology, but the services that we provide to each one of our clients. The InterCall acquisition does not change who Stream57 is -- the most dedicated and hard-working group of individuals that I know.

WRB: You'll be streaming our Boston Summit in July, right?

BC: Yes indeed!

Collaboration Event Calendar

Conferencing & Collaboration Events	
When & Where	Who & What
March 23-25 2010, via the Internet	Education for Everyone Virtual Symposium
April 19, 2010, Berlin, Germany	Wainhouse Research CSP Summit - Europe
April 20-21, 2010, Berlin, Germany	Wainhouse Research Collaboration Summit
July 20-21, 2010, Boston, MA	Wainhouse Research Collaboration Summit
October 12, 2010, Boston, MA	Wainhouse Research CSP Summit - North America

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