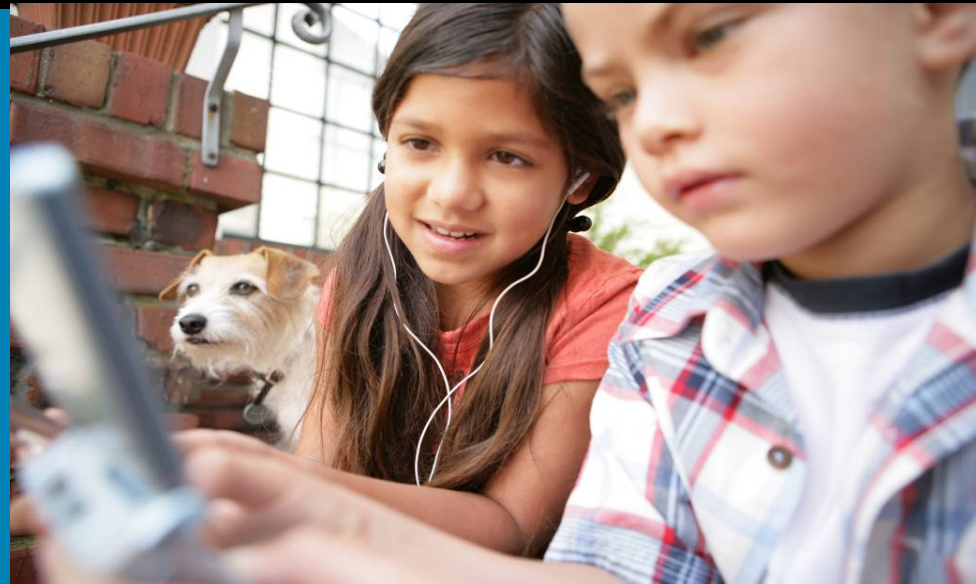




**Analyst Relations
Speaker Series: Cisco
Collaboration Update -
Europe
2/6/2009**



Tim Stone: Head of Collaboration Solutions Europe

Mike MacDonald: Manager, Customer Business Transformation, Europe

Roger Verburt: Regional PSS Manager, Benelux

Agenda

European Trends

Customer Business Transformation Update

Market Update from Benelux

Q and A



European Collaboration Market Insights

Market Trends

1) Economic downturn

2) New Entrants and Buying Centres

3) Installed base PBX Opportunity

4) Evolving UC Channel Landscape

5) SaaS Market Growth

20% UC Users by 2012?

6) Fixed/mobile substitution

7) TelePresence Tornado

Implication

- Stalled/delayed projects
- Focus on Opex, ROI and business value

- Engage with ADM's and BDM's
- Consultative Sales skills

- 96M lines installed 80% still TDM

- Opportunity with SP's and Resellers
- Mobile Operators move to UC

- UCaaS Opportunity

- Integrated FMC propositions

- Broader channel coverage
- Increased Competition

H1 2009 Announcements

User Experience



- Cisco TelePresence System 1300 Series
- Cisco TelePresence Recording Studio
- Cisco Unified IP Phone Integration with WebEx Meetings
- Cisco Mobile Supervisor
- Cisco WebEx Meeting Center on iPhone and 3G Smartphone Browsers

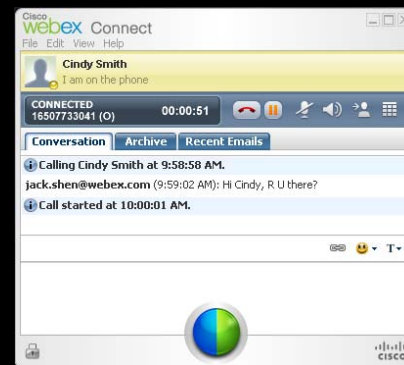
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Fast ROI



- Cisco WebEx Meeting Applications V.27
 - Meeting Center
 - Training Center
 - Event Center
 - Support Center
- Cisco WebEx Node for ASR 1000

Interoperability



- Cisco UC Integrations™ for WebEx Connect and Microsoft Office Communicator
- Advanced WebEx Video with Cisco Unified Videoconferencing

Agenda

European Trends

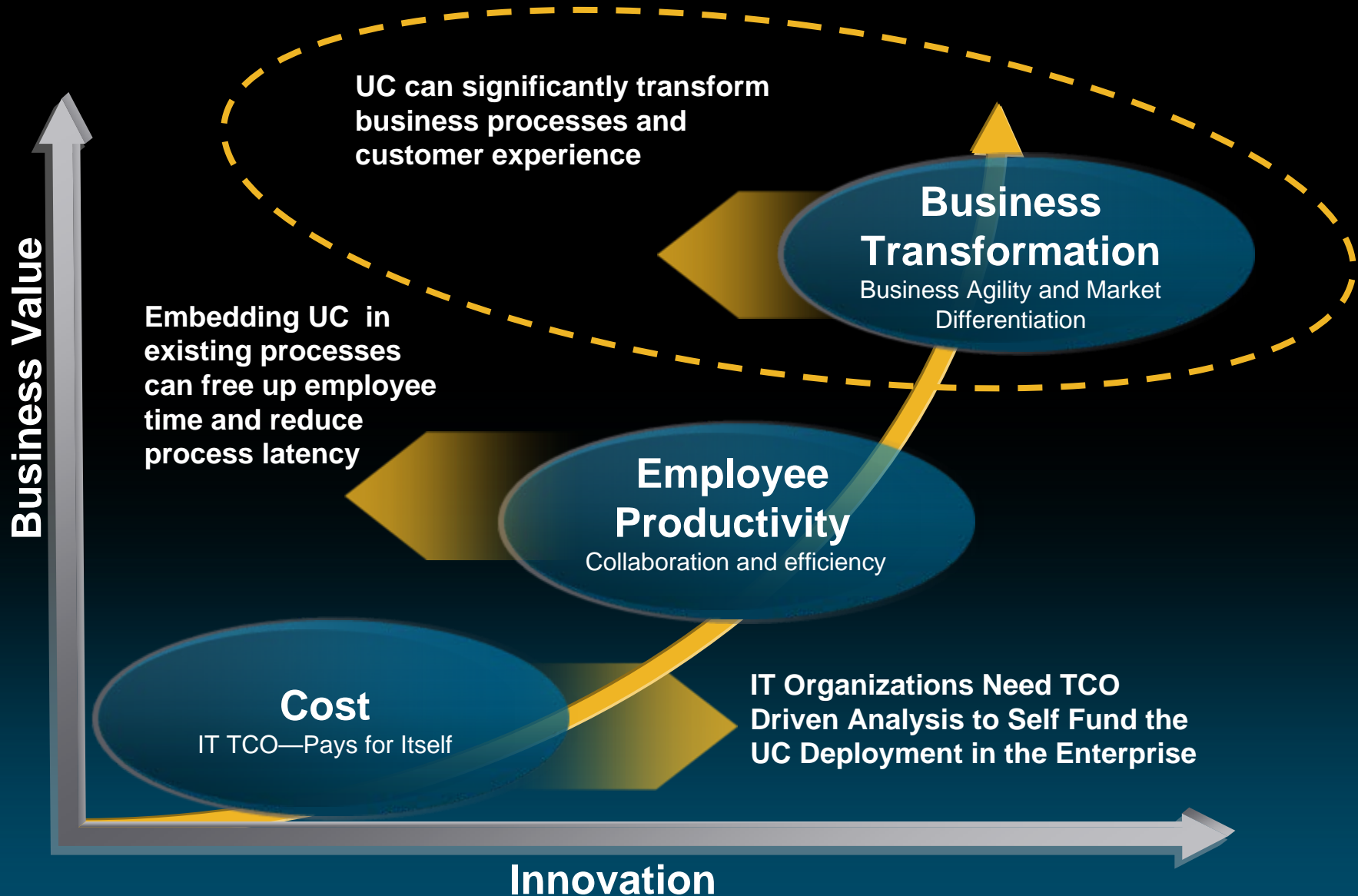
Customer Business Transformation Update

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CBT: Where we engage



CBT: What Customers are saying



Short term challenges

- Return to profitability
- Reduce expenditure
- New purchasing models
- Partnerships



Long term strategic growth

- Strategic business view
- Better use and leveraging of technology
- Improve supply chain efficiencies
- Automate processes and systems



Capture market transitions

- New markets
New channels
New business models

Financial Services Striving for Customer Intimacy

Leveraging Automation and integration

Web



OBJECTIVE

Earliest identification and qualification of customers
Priorities based on value
Offer SLA as appropriate

RESULT

Significant increase in closure rates

Telephony



OBJECTIVE

Identification and checking of customer
Self serve option as appropriate
Personalised if sales opportunity

RESULT

Reduce errors and
Transactional cost reduced by >80%

Branch



OBJECTIVE

Integration of UC into Branch Business Process
Remote agent capability
3rd party applications integration eg Matchmaker

RESULT

40% closure rate over video

Holistic Multichannel Customer Engagement

Boeing collaborates

Over 1m meetings per year

- Largest customer of WebEx collaboration technologies worldwide
- 5 year increase over tenfold
- 168k employees / 70k WebEx accounts
- Over 27,000 external suppliers
- Reduced time to market
- Currently investigating integration of UC, IM and Presence into the WebEx environment
- Boeing Supplier Award (non manufacturer section)



Buckinghamshire New University

21st Century Learning Environment



- University Transformation Project:
 - Consolidating 3 dispersed locations**
 - WebEx Blackboard VLE integration**
- Streamlined IT Infrastructure:
 - Network as the Platform, integrated Security, UC, Centralised Wireless, Data Centre, Digital Media Signage, WebEx**
- Contact Centre technology to go live in FY10:
 - Approx 250,000 calls annually**
 - Recruitment and clearing, marketing, course enquiries, student centre, library**
- Futures:

"Working with Cisco has enabled the University to change the way we deliver all our IT to both our students and employees. Not only has Cisco provided the best technical solutions for the University, they have participated in key strategic and educational developments within the University"

Derek Godfrey,
Deputy Vice Chancellor

**The Gateway
opening
September
2009**

UK Healthcare: Productive Ward

Releasing Time to Care

The Productive Ward

TOTALISER V7

Populate orange sections only
Green areas will self populate

		Total Observation Period = 12											Hrs (1hr x 1 Activity Follow Sheet)		0.0			
		Hour	7-8am	8-9am	9-10am	10-11am	11-12am	12-1pm	1-2pm	2-3pm	3-4pm	4-5pm	5-6pm	0	Total	Subsection Total		
Motion	A. Walking		1	2	0	11	2	8	9	3	4	2	3	0	45	15.6%		
	B. Looking		0	0	0	2	1	8	2	9	0	0	0	1	23			
	C. Collecting		2	5	2	0	0	3	2	2	0	0	1	0	17			
	D. Returning		0	2	0	0	0	0	0	1	0	0	3	0	6			
	E. Other		0	0	0	1	0	0	0	0	10	10	0	0	31			
Admin (non medicines, non flow)	A. Nurse Station		7	0	0	0	0	0	0	2	3	0	4	0	16	3.2%		
	B. Computer		0	0	0	0	0	0	0	1	0	0	0	0	1			
	C. Other		0	0	0	0	0	0	0	1	5	0	0	0	6			
Handovers	A. On ward AFP		3	0	0	0	0	1	0	0	0	2	0	0	6	5.8%		
	B. Off ward AFP		0	0	8	0	0	17	0	0	0	8	0	0	33			
	C. On ward ATB		0	0	0	0	0	0	0	0	1	0	0	0	1			
	D. Other		0	1	0	0	0	0	0	0	0	1	0	0	2			
Medicines Management	A. Medicines admin		0	0	0	0	4	4	0	0	0	0	0	0	8	3.1%		
	B. Medicines stocking		0	5	0	0	0	0	0	0	0	6	0	0	11			
	C. Other		0	2	0	0	0	1	0	0	0	0	0	0	3			
Discussion	A. Own prompt		0	0	0	0	2	0	1	1	0	5	0	0	9	5.8%		
	B. Ext prompt		2	0	0	0	4	0	1	1	3	3	0	0	14			
	C. Phone own prompt		0	4	0	0	0	0	1	0	3	0	0	0	8			
	D. Phone ext prompt		0	1	0	0	1	0	0	0	0	1	5	2	10			
	E. Other		0	0	0	0	0	0	1	0	0	0	0	0	1			
Personal Hygiene	A. Changing gloves and aprons		0	0	0	1	0	0	1	0	0	0	0	0	2	3.8%		
	B. Hand washing		1	1	0	3	4	0	4	1	1	2	6	1	24			
	C. Applying gel		0	0	0	0	0	0	1	0	0	0	0	0	1			
	D. Other		0	0	0	0	0	0	0	0	0	0	0	0	0			
Patient Flow	A. Admissions		6	21	0	0	0	9	0	0	11	0	0	4	51	9.7%		
	B. Discharge		0	0	0	0	3	0	0	0	0	0	0	5	8			
	C. Diagnostics		0	0	0	0	0	0	0	0	0	0	0	0	0			
	D. Assessments		0	0	0	0	0	1	0	0	0	0	0	0	1			
	E. Other		0	2	2	0	6	0	0	0	0	0	0	0	10			
	F. Other		0	0	0	0	0	0	0	0	0	0	0	0	0			
Other	A. Leadership duties		0	0	0	0	0	0	0	0	0	0	6	0	6	6.8%		
	B. Break		0	0	0	8	0	0	0	29	0	0	0	0	37			
	C. Other		0	0	0	0	0	2	0	0	0	4	0	0	6			
Direct Care (At patient bed or nr patient)	A. Ward Round		0	0	0	0	0	0	0	0	0	0	0	0	0	336	47%	DC TOTAL
	B. Medicine Round		0	0	0	0	0	0	4	0	0	0	0	0	4			
	C. Tealining		0	0	0	0	0	0	0	0	0	0	2	0	2			
	D. Meal Round		0	3	0	0	0	0	0	0	0	0	0	0	3			
	E. Nutritional Management		0	1	8	0	0	0	4	0	0	0	0	0	13			
	F. Mobilising		3	0	0	0	0	0	0	0	0	0	0	0	3			
	G. Observations		6	4	0	8	2	0	18	9	8	2	13	25	85			
	H. Assessments		0	0	0	0	0	0	2	0	0	0	0	0	2			
	I. Nursing Procedure		12	0	11	14	25	5	3	0	7	11	17	1	106			
	J. Hygiene		3	0	29	9	0	0	0	0	0	0	0	0	48			
	K. Bed Making		14	5	0	0	4	0	0	0	0	0	0	4	27			
	L. Social Care		0	0	0	2	0	1	1	0	0	0	0	8	12			
	M. Patient Communication		0	0	0	1	6	0	5	0	4	2	0	2	20			
	N. Relative liaison		0	0	0	0	0	0	0	0	0	1	0	0	1			

DIRECT CARE TIME CALCULATION

47%

Institute for Innovation and Improvement





Deep Computing Virtualisation



Business Value

- Delivers an immersive, interactive, 3D meeting environment
- Facilitates high impact, time-sensitive decisions
- Reduces travel to remote locations
- Stores sensitive data at major locations, avoiding security risks at remote locations

Collaboration Business Value

- Web Services enables rapid development and deployment of new applications in days not months

Agility



- Allowing customers to be handled by best resource within Enterprise - from branch, formal contact center and into the back office experts

Ability



- Control costs and handle your customers on your collaboration environment

Cost Control



- Leverages your investment in the network to enable advanced video and presence-based customer collaboration

Investment Protection



- Faster speed to market for new programs and services

Speed



- Competitive Advantage and Strategic Asset for customer collaboration

Competitive Advantage



- Better service to your customers & expanding revenue opportunities

Customer Intimacy



- Lower total cost of ownership goes right to the bottom line

ROI



Agenda

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Q and A



Welcome to Europe



Benelux UC Market Observations

- Currently price sensitive markets
- When able to drive business transformation and ROI Cisco is positioned clearly as the leader and pricing is less of a discussion. Solution led selling.
- Strong uptake of CUWL
- Netherlands – Strong growth market. Enterprise segment high growth, Public sector challenged. Mid market is stable.
- BeLux – Strong Growth market. Public Sector shows high growth where Enterprise is challenged. Mid market stable.

Cisco/KPN “Human 2.0” Initiative - Summary

Overview

Key step in overall Cisco/KPN vision & strategy to transform to a best in class managed ICT provider:

- Primary focus - migrate KPN PBX base to next-generation communication solution (UC / IP Telephony solution)
- Joint targets agreed

Portfolio (Proposition)

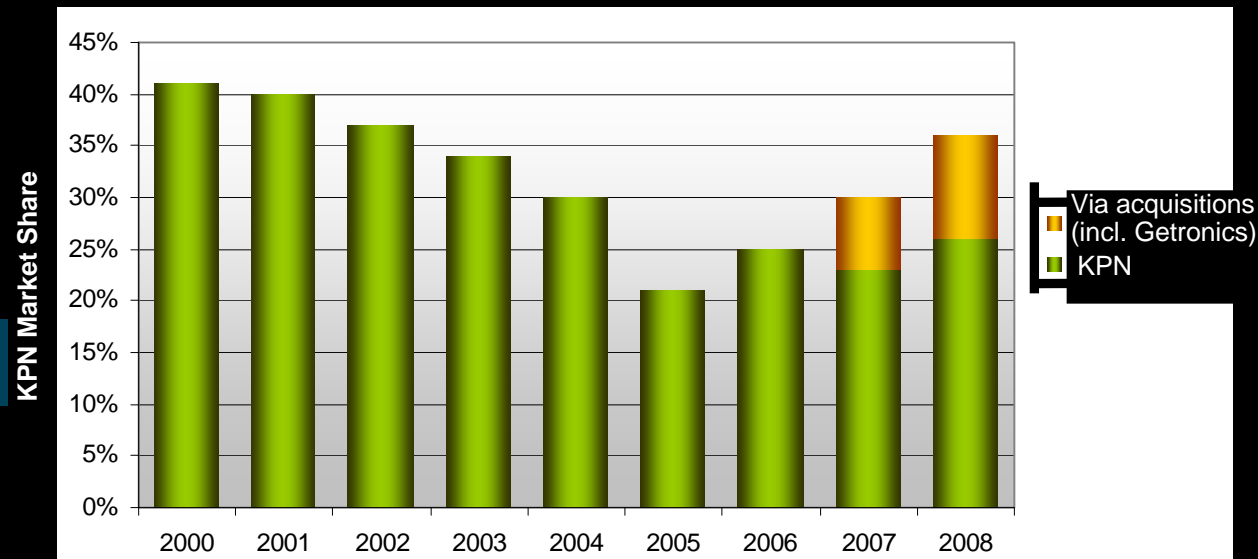
KPN to partner with select group of ‘vendors’ - segmented per KPN’s market segmentation model
Cisco selected as strategic partner for Large Enterprise Market

Market Opportunity

Cisco selected as strategic partner for Large Enterprise Market

Activities:

- Joint enterprise account planning



Cisco/KPN “Human 2.0” Initiative - Objectives

Financial

- FY09 Joint Target, Cisco with KPN
- FY09 Total Market = \$231m

Non Financial

Accelerate UC by addressing 3 GTM Areas with KPN

Market :

- Generate Market Awareness of the Cisco/KPN Human 2.0 Proposition; and it's value
- Migrate KPN installed base (Large Enterprise)
- Build general market awareness of Cisco in the UC, Desktop Applications space

Channel Enablement:

- KPN (& Cisco) enablement – focus on value added selling (UC Roadmap positioning CUWL & UCSS, WebEx, TP, Applications and Video)
- Traction and voice through ‘trusted advisors’ – consultants, analysts & user groups

Sales Enablement :

- Sales enablement to a ‘consultant’ level to drive ‘application’ opportunities deep and wide within accounts (market inflections, business transformation & new business models)
- Sales enablement to be confident & competent to position against & with key & emerging competitors & their ecosystem partners

Managed Services for SMB's: A Win-Win-Win situation

- Customer

 - Scalability & Latest technology

 - From CapEx to OpEx

 - Piece of Mind, SLA's

 - IT Skills shortage

- For Partner

 - Higher margins

 - Competitive advantage

 - Relationship / contract with customer

- For CISCO

 - Accelerate SMB

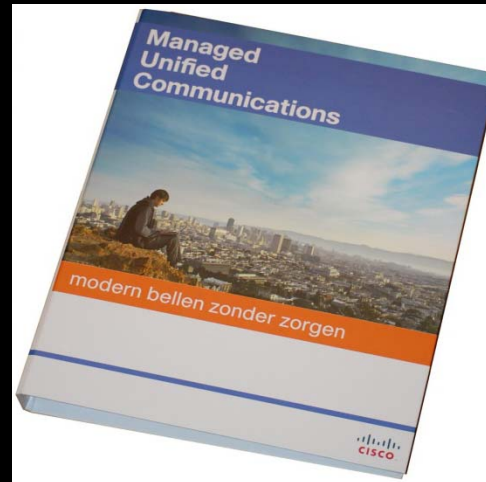
 - More product sales



Managed Services for SMB's: Deliverables

Saleskit

- Functional Service Designs
- Brochuresheets
- Presentations
- Offertexts
- Calculation tool
- Salestrainingmateriaal
- Demo's



Operationskit



- Organisationmodel
- Operations implementationplan
- Servicescatalogus
- Service Level Agreement
- Task List
- Procedures / workinstructions
- QuickScan
- Implementationplan customer
- Example Reporting

Connected Urban Development (CUD)

Introducing...

- Five year Cisco Commitment under the Clinton Global Initiative, initiated in 2006
- Public-Private partnership with Amsterdam, Seoul and San Francisco, Madrid, Lisbon, Birmingham, Hamburg
- EU (covenant of Mayors) Benchmark of Excellence; Top 25 'best commitments' under CGI



Smart Work Center:

Towards a smart, distributed and sustainable way of working



Business Challenge

Accelerate and showcase distributed and sustainable ways of working reducing physical transport

Solution

The Smart Work Center is an e-work location close to residential areas combining a range of technical and non-technical solutions (e.g. TelePresence and child day care), that help optimize a day in the life of a worker. Further, by integrating high end symmetric connectivity and telepresence, workers can function under close to ideal circumstances in terms of online collaboration.

Business Value

Optimization of resources by replacing fixed work stations by more cost effective e-work stations at SWCs; Time of employees used more efficiently due to reduced travel.

The first Smart Work Center has been set up in partnership with the City of Amsterdam as part of the Connected Urban Development program

Source: Cisco IBSG, 2008

Smart Work Centers:

An addition to the Home Work Environment

- Home environment not always ideal
- High end communication facilities
- Professional setting & meeting place
- More sustainable energy use
- Comprehensive service concept
- Location according to needs and proximity of infrastructure

Smart Work Center: Integrated Service Concept

The CUD SWC provides the following:

- Flexible work stations/ conference rooms
- Lounge work places
- Telepresence facilities
- Restaurant/ Business Club/ Catering
- Child day care
- Bank
- IT Support
- Notary and legal advice
- Employment agency
- Easy physical access, close proximity to highway



Smart Work Center Concept



- Q & A
- Thank you for attending
- Please contact Niki Hall if you have questions,
nzewe@cisco.com



CISCO