

Telstra and Cisco Partner to "Change the Game" in the Australian Enterprise and Government Markets

"The agreement will see Telstra and Cisco enter into an alliance that will change the way both organizations deliver superior value to our customers—leveraging joint account planning and a sales engagement model that will bring both organizations closer to our customers than ever before. The alliance will put the customer at the center of all we do." — David Thodey, Group Managing Director, Telstra Enterprise and Government

In Brief

In a unique, cross-functional engagement (Telstra account team and Cisco's Internet Business Solutions Group (IBSG), Customer Advocacy, Technical Services, Marketing, Global Development, and Services organizations), Cisco and Telstra have signed an alliance that sets the foundation for Telstra's growth in the enterprise and government markets. The relationship is seen as a "step change," where not only are Telstra and Cisco developing new solutions, but Telstra also will use Cisco's management platforms inside Telstra's world-class operations environment. Cisco will support Telstra in the build and ongoing operations of the management platforms. This enables the alliance to deliver new solutions and service offerings to the market with operational capability that matches the pace of demand. These solutions and new operational capabilities will differentiate Telstra in the market and assure the Telstra salesforce that Telstra can follow through with a deeper sales strategy, incorporating the full lifecycle of Cisco-based advanced technologies and services.

Customer

Industry

Telstra Corporation

Telecommunications

Challenges

- Increased pressure on highly profitable legacy enterprise and government revenue, and on timely
 product / service development and market launch (need to reduce time to market).
- Massive network and system transformation program in progress.

Cisco Internet Business Solutions Group (IBSG)

Solutions

- Comprehensive business plan covering key aspects of alliance—guiding principles, technology roadmap, and revenue / technology / operational / cost / go-to-market models.
- Service roadmap for three managed services: Unified Communications, network services, and security.
- Integrated Cisco product roadmap with service provider (SP) product roadmap.
- SP will standardize on Cisco-based offerings as determined by Cisco Development Organization deliverables.
- Integration of Cisco's Management Platform with SP's network—a build, operate, and transfer (BOT) arrangement where Cisco will install, test, integrate, operate, train, and transfer knowledge to SP operations.

Next Steps

- Cisco continues to work with Telstra to finalize details of BOT contract.
- Cisco's newly appointed director, reporting to the Australia / New Zealand vice president, is engaging with Telstra to realize alliance objectives.

Projected Results / Benefits

- Memorandum of Understanding (MOU) signed by Telstra CEO Sol Trujillo, Cisco Chairman and CEO John Chambers, and Vice President of Cisco Australia and New Zealand Les Williamson.
- Using the alliance as a key vehicle, Telstra will expand its influence in the managed services market, serving large enterprises and government, and generating up to US\$500 million in cumulative revenue over the next three years (customer premise equipment resale, associated managed services, and carriage pull-through).
- Cisco is establishing a sustainable presence in the managed services space in Australia, creating US\$120 million (net new revenue) of Cisco revenue potential over the next three years.
- Cisco is generating services revenue from the BOT model (contract in negotiation).

IBSG Consultants

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