Cisco go-to-market alliance enables AT&T to speed its MIDS solution to market and win new business in EMEA

Executive Summary

CUSTOMER NAME
- AT&T EMEA

INDUSTRY
- Service provider

CHALLENGE
- In alignment with its strategy for business growth in EMEA, and leadership in network security, AT&T wanted to differentiate its value proposition for enterprise customers

SOLUTION
- Under the framework of a Cisco go-to-market alliance, AT&T was able to leverage Cisco's technical expertise and knowledge of the EMEA security market to develop and successfully launch a managed intrusion detection service (MIDS)

BUSINESS VALUE
- AT&T has secured competitive advantage in a crowded market. Differentiation of its IP VPN offering has resulted in considerable new revenue

- The company has accelerated its time to market, ensured a better service rollout, and established a stronger value proposition

AT&T's aim is to deliver the ultimate 'stealth' network, completely undetectable from the outside. The demands of protecting enterprise networks continue to keep many CIO's awake at night and, as AT&T moves towards this vision, it wanted to develop and launch a managed intrusion detection service for business customers in EMEA. Tapping into Cisco's expertise AT&T has accomplished that in record time, leap-frogging its competitors and winning new business.

CHALLENGE

Established over 120 years ago, AT&T has been known for unparalleled quality and reliability in communications. With dedicated access to MPLS-based services from more than 1,500 service nodes in 80 countries, the company is a global leader in Internet, data, hosting and voice services to customers throughout the public and private sectors. Leading the charge of next-generation service providers – supported by its vision for one single network to carry all AT&T services ("Concept of One") with zero touch automated provisioning capability ("Concept of Zero") – the company sought to create new revenue streams and differentiate itself in the fiercely competitive EMEA marketplace.

In response to the growing threat to enterprise network security from hacking, denial of service and viral and malware infection, AT&T identified the opportunity to develop a managed intrusion detection service (MIDS) solution for business customers. While it is a recognised leader in the managed security service provider (MSSP) market in the US, AT&T did not have the same in-depth knowledge and local expertise across Europe and required a strategic partner to help to develop the capability and successfully bring it to market.

CISCO SYSTEMS

Prepared by Cisco Systems, Inc.
Internet Business Solutions Group

SOLUTION

AT&T's credentials in the MSSP market are well established. Multiprotocol Label Switching (MPLS), IP Sec and Secure sockets layer (SSL) VPNs, Firewalls, distributed denial of service (DDOS) protection, and patch testing and management are all standard customer offerings. Much of its success is due to the renowned AT&T Labs organisation, which helps the company bring innovation to the market and, in the process, often secures first mover advantage. It is also the envy of many of its competitors who have to outsource research and development, or wait until other players deploy new capabilities and follow.

There is a long-standing relationship between AT&T and Cisco. AT&T's IP backbone network is based on the latest Cisco technology and the two companies collaborate through a successful go-to-market alliance in the US. It was therefore natural that AT&T and Cisco should extend this agreement in EMEA to focus on developing and launching a MIDS solution.

Martin Silman, Director of Global Offer Management at AT&T, sets the scene: "Our relationship with Cisco goes beyond our shared US heritage and that of a standard customer-supplier relationship. There is a deep mutual respect and shared vision in terms of the development and deployment of next-generation technology for the benefit of customers. The go-to-market alliance in EMEA recognises that fact."

> **"THE MARKET ANALYSIS PIECE WAS CRUCIAL. CISCO'S SALES AND MARKETING SPECIALISTS HELPED US OBTAIN INFORMATION DIRECTLY FROM THE FIELD – IDENTIFYING WHAT CUSTOMERS WANTED FROM A MANAGED IDS AND WHICH ASPECTS OF THE SERVICE THEY MIGHT BE PREPARED TO PAY EXTRA FOR."**
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> **Martin Silman, Director, Global Offer Management, AT&T**

Once the basic governance and framework of the alliance had been agreed, a project team of specialists from both companies was formed to identify and scope the opportunity to provide a managed IDS solution to business customers in EMEA. Cisco's Internet Business Solutions Group (IBSG) arranged a security roadshow in various city locations in Europe to share their experiences with AT&T's account managers and technical architects. Next IBSG worked with AT&T's product team to build an understanding of the security market dynamics in EMEA – profiling the competitive landscape, creating pricing structures and cost of entry models, and establishing the key elements of a managed IDS proposition.

"The market analysis piece was crucial," Martin Silman continues. "Cisco's sales and marketing specialists helped us obtain information directly from the field – identifying what customers wanted from a managed IDS and which aspects of the service they might be prepared to pay extra for."

Over the following months, the project team and AT&T Labs used this valuable feedback to develop the proposition – based on AT&T's existing product built from Cisco IDS hardware and software – and enhance it with more alerting, correlation and event response features. There was also the significant task of building the necessary service capability and back-office systems integration to support ordering and billing. The team also created an AT&T Managed Security portal to provide key information to customers and support to AT&T's sales teams.

As well as identifying potential customer 'hot spots' the market analysis also confirmed the dilemma facing customers. Many companies remained reluctant to outsource the security of their network for fear of losing overall control. At the same time, the demands of managing firewalls, IDS solutions and virus software in-house placed a huge drain on business resources – with the constant requirement to field alarms and alerts, and the need to 'grow the skills to manage the box'.

Not only that, but as networks have evolved and grown so the demands of network protection have become more challenging. The traditional focus on first line defence alone is no longer sufficient. Kees Vos, Global Offering Manager for Business Continuity and Security Products at AT&T, explains: "The threat to enterprise networks is becoming too large and complex to be managed at the edge – the defence mechanisms need to be spread across the whole network rather than at the potential point of attack. And customers want to know before and not after the event."

Cisco helped AT&T to refine and develop their sales collateral to address these key issues and explain the business benefits of the proposed MIDS solution to customers. As the launch date approached, Cisco facilitated workshops at AT&T's Solution Centre to provide technical training and support for standard and non-standard MIDS offerings.

> **"IT NORMALLY TAKES AT LEAST A YEAR FOR A SERVICE PROVIDER TO GET A NEW SERVICE TO MARKET – EVEN IN AN AREA WHERE IT HAS TECHNICAL EXPERTISE. OUR ALLIANCE WITH CISCO HAS NOT ONLY ACCELERATED OUR TIME TO MARKET, IT HAS ENSURED A BETTER SERVICE ROLLOUT AND A STRONGER VALUE PROPOSITION."**
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However it was not all plain sailing. The project team had to negotiate the complexities of regulatory compliance – dealing with pan-EU and individual country legislation to satisfy requirements such as unlawful intercept. This activity alone needed some three months of sustained effort, with IBSG leading a cross-functional team effort from Cisco's legal affairs, regulatory, security business unit, technical and marketing departments.

Despite this, AT&T successfully launched its MIDS solution to the majority of the European market in September 2004. Further rollout to all of Europe, Middle East and Africa, Asia, Canada and South American countries will complete during 2005.

BUSINESS VALUE

The alliance with Cisco continues to extend AT&T's managed service capability in EMEA. The launch of MIDS has helped to differentiate AT&T's value proposition in a crowded market of service providers offering core connectivity solutions. This is particularly relevant to the fiercely competitive IP VPN market in EMEA, which is already showing signs of becoming commoditised.

As a result, the launch of MIDS has opened the door for many IP VPN wins. The alliance has also led to other high-profile project engagements in EMEA. For example, AT&T and Cisco have recently collaborated together to provide IBM with a bespoke security gateway, built to IBM's tight specification and demanding timescales.

Kees Vos says: "Approaching Security from a Business Continuity perspective, together with Cisco, has helped move managed IDS out of the technology shop and into the minds of customers for mainstream business consideration. We are already seeing the pull-through of this in terms of value add for customers and new revenue streams for AT&T."

AT&T's ability to now offer managed network security from the desktop to the data centre – combining MIDS with its intelligent network monitoring of all traffic passing across the AT&T IP backbone – has provided an even more compelling proposition to EMEA customers and secured competitive advantage to AT&T. Further recognition of this was provided at the 2004 World Managed Security Services Market awards where AT&T won the Customer Solutions Excellence category for having the broadest scope of services among all managed security service providers.

However, the launch of MIDS only tells half of the story. The real business value comes from the alliance itself and the way that it leverages AT&T's managed services capabilities with Cisco's in-depth knowledge of the EMEA market.

Martin Silman sums up: "It normally takes at least a year for a service provider to get a new service to market – even in an area where it has technical expertise. Our alliance with Cisco has not only accelerated our time to market, it has ensured a better service rollout and a stronger value proposition."

TECHNOLOGY BLUEPRINT

AT&T Managed Intrusion Detection Service (MIDS) is a fully managed, comprehensive, IP network attack recognition and response solution for network security. Based upon advanced Cisco self-defending network technology, the solution uses Cisco IDS 4200 sensors to continuously detect, classify, and stop inappropriate attempts to access the network, systems, services, applications or data. By incorporating Cisco Works Management Centre software intelligence, customers complete a baseline assessment and pre-define response 'rules' in line with their own security policies.

When a rule for acceptable application behaviour is violated, the management centre responds with predetermined action that keeps the system operational and sends an automated report to AT&T's network operations centre for further action and investigation.

AT&T's Managed Intrusion Detection Services provides customers with 24*7 network surveillance and the simplicity of a fully managed solution spanning installation, maintenance, alert correlation and monitoring and event response, and management of all associated hardware and software.

MORE INFORMATION

For further information on Internet business solutions, visit **http://www.cisco.com/go/ibsg**

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