

ONLINE NEWS AND VIEWS ON VISUAL COLLABORATION AND RICH MEDIA COMMUNICATIONS

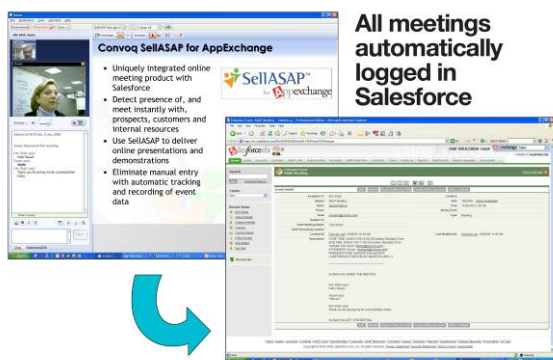
We are getting ready for our annual trek to InfoComm. If you are planning on being there as well, be sure to let [Andrew](#) or [Ira Weinstein](#) or [Andy Nilssen](#) know, since we will be wondering the halls looking for all things interesting.

As always, please feel free to forward this newsletter to your colleagues. To be added to our **FREE** automated email distribution list, simply visit www.wainhouse.com/bulletin.

Andrew W. Davis, andrewwd@wainhouse.com

News in Brief

- Convoq announced a new version of SellASAP for AppExchange. SellASAP 3.0 furthers the integrations with Salesforce and Outlook introduced in previous versions, and adds several new features including in-page graphical presence for individuals and teams, hosting and playback of recorded meetings, and support for Skype presence. We believe Convoq, which happens to be Flash-based, is the only Web conferencing system tightly integrated with Salesforce that



allows sales representatives to instantly meet online with prospects, clients and internal resources while automatically logging and reporting on these events – all within Salesforce. Like Salesforce, Convoq is available as a hosted service. The Salesforce-integrated version of Convoq is dubbed SellASAP, while the original service has been renamed to MeetASAP – this version is sold on a named user basis. ConferenceASAP is a third version sold with a “floating” license and targets web conferences and larger events. Convoq supports video: two people can be on camera at the same time; with more than two, the video is host controlled.

- HP has enhanced its HALO Collaboration Studio product line by adding support for up to 4-way multipoint conferences. HALO rooms are intended to provide an immersive environment, with eye contact and near-zero delay audio and video conferencing in a fully managed services offering. The multipoint uses a different paradigm (vectoring) from that provided by standard bridges; instead the multipoint technology is based on simultaneous independent audio/video streams sent to different screens. So, if London is on the left screen and Munich on the center screen, then London receives the images from your Halo’s left camera and Munich from your system’s center camera, etc. This applies to all rooms involved in the call; the result is that the people in London feel like you are looking at them when they are speaking; likewise the people in Munich, etc. HP also announced a roughly 20% price reduction for HALO, with systems now starting at \$425,000 each for quantities of 1-3 (down from \$550,000). The service/maintenance charges still run about \$18,000 per month per system. HP claims as customers AIG Financial Products Corp., BHP Billiton and General Electric Commercial Finance as well as AMD, DreamWorks Animation and Pepsi Co.

With the new multipoint capability, HP also announced a Halo partnership with Language Line Services to provide Halo customers with real time interpretation. To date, 50 Halo studios have either been deployed on HP’s Halo Video Exchange Network or are in development around the world – up from 18 rooms when HP Halo officially launched six months ago. (WR believes

half of the systems are internal to HP.)



Halo photo provided by HP. Note that the three video screens show different sites in this 4-way multipoint call. The data collaboration screen appears to be showing a video image from a ceiling-mounted camera.

Here's What I Think: HP has certainly gotten the attention of C-level executives (and the press) in the base few months. Thanks to HP, videoconferencing, and now telepresence have a much higher visibility in corporate America than was the case just a short while ago. Maybe people are starting to get the idea that conferencing can save them money and make their people more productive. I believe the leaks coming from Cisco's John Chambers in the past three months about Cisco's telepresence initiative may have been motivated by a desire to deflect attention away from HP. And now, perhaps more significantly, we have a partnership between Polycom and Destiny Conferencing to provide tele-

presence systems based on Polycom's high-end technology. While Polycom's RPX total immersion systems are expensive, they are a bargain compared to Halo, and they have the significant advantage of being standards-compatible (HP Halo systems talk only to other Halo systems) and therefore capable of talking with the hundreds of thousands of room systems currently installed. Telepresence isn't new, and telepresence isn't low cost, but for some customers, the time may be coming where telepresence makes sense. Let's see what Polycom's marketing muscle can do for this currently-insignificant market segment. Meanwhile, you can expect continuing announcements out of HP as they round out the Halo capabilities.

- Visual Nexus announced a new gateway that bridges the SIP standard used widely for VoIP with H.323. The Visual Nexus SIP Option is a software product supporting both video and audio calls - enabling devices based on the two different standards to communicate in the same online meeting. The SIP Option will allow customers' existing video conferencing systems to work with the new Microsoft technologies such as Live Communication Server (LCS) and Office Communicator.
- *Primer on 3G personal mobile video communications available....* Wainhouse Research analyst Alan Greenberg and independent analyst Christine Perey have produced a short audio+PowerPoint primer on personal, subscriber-generated mobile video communications over 3G networks. This nine-minute Brainshark session introduces the market and technology ecosystem; drivers for operators, vendors, and subscribers; and applications e.g. video telephony, video sharing, and contact centers as well as technology barriers. Check it out at www.wainhouse.com/briefings.
- inSORS has released a Macintosh version of its IG2 audio-video-data collaboration platform.

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It's June Already, What are You Waiting For?



The Wainhouse Research Summit has become the industry's premiere networking event, with conferencing professionals, integrators, and vendors interacting over plans, successes, difficulties, and future intentions in voice, video, and web/data collaboration products and services. The 2006 Summit, with the theme of *Unified Collaboration and IP Communications*, begins with presentations by WR analysts on the state of the industry and then follows with perspectives from enterprise and SME end users, independent consultants/columnists as well as interesting views from **Microsoft** and **Cisco** together with our standard interactive panel discussions. The WR Summit is a highly interactive event. So bring your tough questions and be prepared to walk away with a new view of where IP communications and conferencing and collaboration solutions are headed in the next 2-3 years.

This year's agenda will be CIO-heavy, with no less than five speakers holding that title or filling that role at their companies. We are very proud to introduce two of them this week.

The Benefits of Unified Communications in the Restaurant Industry



Ken Chaisson is currently VP of Information Technology at Legal Sea Foods. Legals (as it's known in Boston) operates 31 restaurants from Massachusetts to Florida as well as mail order and catering divisions. In the past nine months the company has undertaken a conversion of many of their restaurants to Unified Communications and VoIP. The team anticipates this will provide guests with better support from the already exemplary staff at each restaurant! The company believes it is one of the first restaurants in the US to utilize this technology. Ken will discuss the goals, the plan, the implementation and results to date of this exciting, real-world project!

Pushing the Envelope without Pulling the Rug



Case Western Reserve University made the move to a voice-video-data converged IP network in order to deliver enhanced services to faculty, staff, and students in a variety of activities ranging from research and studying to playing, medical training, community outreach, and adult education. **Lev Gonick**, PhD, CIO and VP Information Technology Services at Case Western Reserve University, will talk about how the University and its leadership in the Cleveland OneCommunity (www.onecleveland.org) initiative have made the transition to a next-generation infrastructure, what applications they are currently running, and what obstacles they have had to overcome while balancing collaboration, security, reliability, and bandwidth concerns in an on-going, real-world deployment.

Continuing on the success of last year's event, the first day (July 19) features a [Technology Showcase](#) that includes short presentations and hands-on demonstrations of a wide variety of products and services for enterprise conferencing and collaboration. Attendees will be able to see for themselves in a side-by-side comparison a range of desktop video products, sophisticated IM-based interfaces, and web-based collaboration solutions.

- This year's Gold sponsors are AGT, Arel, LifeSize, Masergy, MCI, Microsoft, Polycom, RADVISION, and TANDBERG. Technology showcase participants (July 19) include Arel, Cisco, Codian, inSORS, Masergy, MyVRM, Netbriefings, Polycom, Radvision, Starbak, Tandberg, VerizonBusiness, Wire One.
- The event will be webcast this year as well. Webcasting services are being provided by Netbriefings while streaming and videoconferencing will be over Masergy's MPLS network.

The previous events were sellouts, and space is limited again this year, so plan ahead, and book early. We have made special arrangements with the Colonnade Hotel for a preferred room rate for the first 50 room of \$165 per night. Rooms are nearly sold out already. Details at www.wainhouse.com/wrsummit. Register online while space still permits.

More News in Brief

- CSP ACT Teleconferencing will be marketing a new reservationless web conferencing service dubbed ReadyConnect Web Meeting based on a partnership with WebDialogs, a provider of online meeting and communications solutions. Offered in a basic presentation format, as well as a premium fully-collaborative version, ReadyConnect Web Meeting provides users with integrated audio and web conferencing. The premium product offers document, application and desktop sharing, real-time text chat, polling, recording and replay. Its integration with Outlook allows hosts to add both audio and web conferencing when scheduling a meeting. Participants dial into the voice conference and then join the web conference through any standard web browser. No downloads or installation of software is required. WebDialogs has been an OEM provider to many Tier 3 CSPs, but ACT is a win for the company at the Tier 2 level.
- Aethra and VTV Japan, a leading videoconferencing system specialist in Japan, announced that they have started up a new company, ae communications, Inc., in Tokyo, Japan. Aethra's business in Japan has increased tremendously since VTV Japan and Aethra signed an agreement in July, 2004 to work together. The focus of the new company is to extend the existing presence in the Japanese marketplace by developing a sales program for distribution partners in specific regions.
- Ubiquity has been selected as a supplier of SIP platforms for British Telecom's 21st Century Network (21CN). One of the goals of 21CN is to give customers the ability to customize, personalize, and change services in real time. The contract with BT is for Ubiquity's SIP Applications Server and Service Creation Environment software products.
- Compunetix has attained ISO 9001:2000 certification for its Monroeville headquarters and manufacturing facility.
- WebEx and Sony Japan have teamed up to offer Web collaboration services to VAIO Pro laptop users. Sony will pre-install a desktop icon that links to the WebEx trial on all new TX and BX series models, as well as some SZ models. With one click, users will have an option to create Web meetings where they can share documents, applications, video, whiteboards and desktops. Sony's new VAIOs will also come with built-in Web cameras and microphones.
- Forgent has reported that many of its claims in the '672' JPEG patent have been denied by the US patent office. In a press release, the company declared that the action upholds 27 of the 46 claims and that Forgent will vigorously defend the remaining claims that were not initially upheld in this first action.
- While there was no official announcement from Redmond, it's been all over the Internet that the next version of Microsoft Live Communications Server (LCS) will supposedly add Web conferencing to the instant messaging, presence features in the current incarnation. This is a planned step in the project to converge the Live Meeting and LCS code bases. Other Internet news sources report that the new LCS will cover a range of web-, voice- and video conferencing capabilities. There will reportedly be enhancements to the Office productivity suite as well to integrate to the new LCS. The voice capability is interesting since it gives the desktop computer many call control capabilities – functions that begin to impinge on the PBX market. And of course, VoIP could put Microsoft in competition

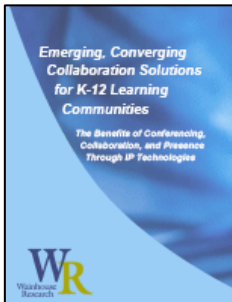
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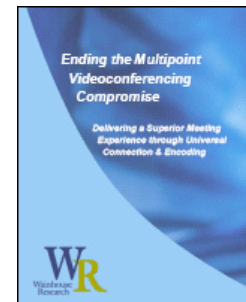
with its audio conferencing service providers. Finally, Microsoft's video conferencing could compete with of the company's present video partners. So, what else is new? (At our Wainhouse Research European Forum in Berlin in April I stated publicly that I thought Microsoft and Cisco would be competitors within a year.) Microsoft's view of voice- and data-communications as part of one huge market was conveyed in its re-org last January when it put real-time communications and Exchange Server into one overall Unified Communications Group.

Two New White Papers Available



[Emerging, Converging Collaboration Solutions for K-12 Learning Communities](#) is a new white paper sponsored by Alcatel that explores the latest phase of multimedia communications technologies for education. It discusses the features and benefits of converged collaboration solutions, showing how new solutions can be applied to improve communications among all stakeholders while also enhancing educational opportunities for both teachers and learners.

[Ending the Multipoint Videoconferencing Compromise](#) is a white paper sponsored by Codian that highlights the benefits of Universal Connection & Encoding (UCE), a capability offered by next-generation video bridges that automatically - and transparently - maximizes the overall videoconferencing experience (maximum image and sound quality, reliability) for each multipoint meeting participant. For organizations seeking to provide multipoint video meeting performance that rivals point to point sessions, this white paper is a must read.



Click on the above links or visit www.wainhouse.com/whitepapers to download your copy.

People & Places

myVRM, **Barry Saltzman**, president. Barry was recently CEO for Review Video.

Review Video, **Timothy Gelman**, President. While we don't usually report on such things, by our track record Tim replaces Barry Saltzman who replaced Rick Snyder who replaced Marty Karlin.... all within the last three years.

One on Three with InterCall, Radvision, Glowpoint.



*Mike Brandofino,
CEO,
Glowpoint*



*Clint Smith,
Sr. Manager of
product strategy,
InterCall*



*Bob Romano,
VP of enterprise
marketing,
Radvision*

About a month ago, InterCall, Glowpoint, and Radvision announced an interesting deal to bring desktop videoconferencing to the enterprise. Sitting behind the scenes in all this is Microsoft Office Live Meeting (MOLM), the web collaboration service. InterCall is one of the largest resellers of MOLM, and Radvision is one of several companies (see our free white paper) that have announced rich media add-ons for MOLM users, enabling voice and video to be added to the basic Microsoft data collaboration service. The announcement

brings together several interesting elements, including the entry of Glowpoint into the managed services business, in this case acting as a managed service provider to a conferencing service provider (InterCall) based on technology from a videoconferencing vendor (Radvision). It also raises some perplexing questions about convergence and delivering real value to real customers. To satisfy my curiosity, I arranged a conference call with all three companies last week

WRB: First of all, let's get an accurate description of the service.

CS: This is really simple. InterCall is offering desktop videoconferencing as an add-on to its existing customer base using Microsoft Office Live Meeting. Our customers today are using Live Meeting for their data sharing while InterCall provides voice connectivity over the PSTN. Now we are offering video as an option, courtesy of our partners.

MB: Yes, video is a seamless add-on, much the way voice is a seamless add on to web conferencing. The Glowpoint infrastructure and services are totally invisible to the end user.

WRB: OK, but why is InterCall doing this. Are customers really asking for desktop video? That would be a remarkable change from the past.

CS: Good question, Andrew. Some customers are in fact asking for this. But we are also seeing video as a check box on more and more RFPs. In a way this is following the path of VoIP from a few years ago.... Checkboxes. We're only into our first month, and we have one or two customers trialing the video service, so it's too early to say what the real demand will be. But as you are well aware, web cams are increasingly popular and low cost and becoming ubiquitous. And of course Skype has broadened everyone's horizons by introducing free consumer videoconferencing..

BR: Another factor to bear in mind here... we are not talking about the stand-alone desktop videoconferencing of the past, which had limited market acceptance, but a video service integrated into MOLM. Couple this with high quality InterCall audio conferencing and this eliminates all the audio issues that sometimes occurs with PC based audio. This could change everything. Also, this is offering personal desktop videoconferencing as a service, not as an enterprise premises deployment – this is more in line with how enterprises are buying conferencing today.

WRB: Well, everyone knows that on one level, audio conferencing is becoming a commodity. What's the business model here?

CS: This is an opportunity for InterCall to provide value-add to its customers, a new service, and hopefully build customer loyalty by providing great video along with great voice. For now, this enhanced Live Meeting offering is a competitive differentiation for us.

WRB: So let me get this straight, on a rich media conference, the customer would be using data coughed up by Microsoft servers, voice delivered by InterCall bridges, and video handled by Click to Meet services hosted by Glowpoint. This hardly sounds like convergence.

BR: Good point Andrew. But it isn't convergence that the customer really cares about, it's integration. And this integrates the best solutions of audio, data and video.

CS: Yes, from the customer's perspective, it is all invisible. Integration is the key, along with transparency. This is all branded "InterCall" by the way, and run through a single sales channel to simplify the solution for the customer – customers don't have to go to each vendor individually.

WRB: What factors led InterCall to select Radvision. There are lots of other solutions out there besides Click to Meet.

CS: We did our due diligence and looked at multiple possibilities. We liked Radvision for several reasons: company stability, product roadmap, and the ability for their desktop solution to support industry standard room systems, although the room system angle is not part of InterCall's initial roadmap – it is definitely on our roadmap however. In addition, a key factor for InterCall was that Click to Meet can be configured with IP voice disabled; for now we are using InterCall's audio solution and Click to Meet strictly for video.

WRB: That seems a bit convoluted, doesn't it.

BR: Let me interject here. Yes, disabling VoIP preserves PSTN minutes for InterCall, but the

real truth is that PSTN voice is more reliable and still higher quality overall. In many CTM deployments, voice is the predominant cause of problems and user complaints, either because Windows has changed the voice settings, or the microphone and speakers on laptops are inadequate, or the user has some configuration error. Bottom line, enterprise customers will be happy with the InterCall setup – the quality is very high, and the cost today of audio conferencing, as you said earlier, has been commoditized down to where PC based VoIP is not as compelling.

WRB: What about lip synch if video is over IP while voice is over PSTN.

CS: In our trials this hasn't been a problem. While there might be some lip synch mismatch depending on network conditions, customers tend not to notice it in desktop video environments when the images are relatively small on the screen. Full screen images would be a different issue.

WRB: Can you tell us anything about the current customers or the revenue model.

CS: We are in the first month of deployment and it is too early to talk about specific customers. As far as the business model is concerned, I'd rather not go into the details, but in general some revenue sharing is involved.

WRB: What about pricing?

CS: This is always hard to answer, because there are as many MOLM pricing models as there are customers.

WRB: OK, but give me something to say here. What is a typical cost for MOLM and what would the video add?

CS: An unlimited use license for MOLM would be, say, \$4500 per year, which includes up to 5 users. Our pricing for the video is \$15 per user per month with a long term contract. This is also for unlimited use. So you can see, we are pricing this to make video very affordable.

WRB: Why is the customer interested in video enhancements to MOLM at all. What benefits is your customer looking for.

CS: Enhanced training programs for employees is one of the first applications our customer is looking at. We believe th`at they can justify the complexity of a desktop video rollout by improvements in their internal training programs and procedures.

Conferencing & Collaboration Event Calendar	
WHEN & WHERE	WHAT & WHO
2006-June 14-15, London, UK	Point Nine User Peer Networking Forum
2006-July 19-20-21, Boston, MA	The Wainhouse Research Summit – 2006
2006-September 13-14, Boston, MA	Wainhouse Research CSP Summit – 2006 Co-located with Fall VON
2006-October 22-25, Orlando, FL	Polycom User Group Annual Conference

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