

# Video-Enabling Presence Portals

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**INTEROP**

# Agenda

- The Virtual Workplace
- Presence as an Enabler
- The Presence Portal
- IP Video Conferencing
- Standards
- Beyond the Corporate Boundary
- Recommendations

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# The Virtual Workplace is Here

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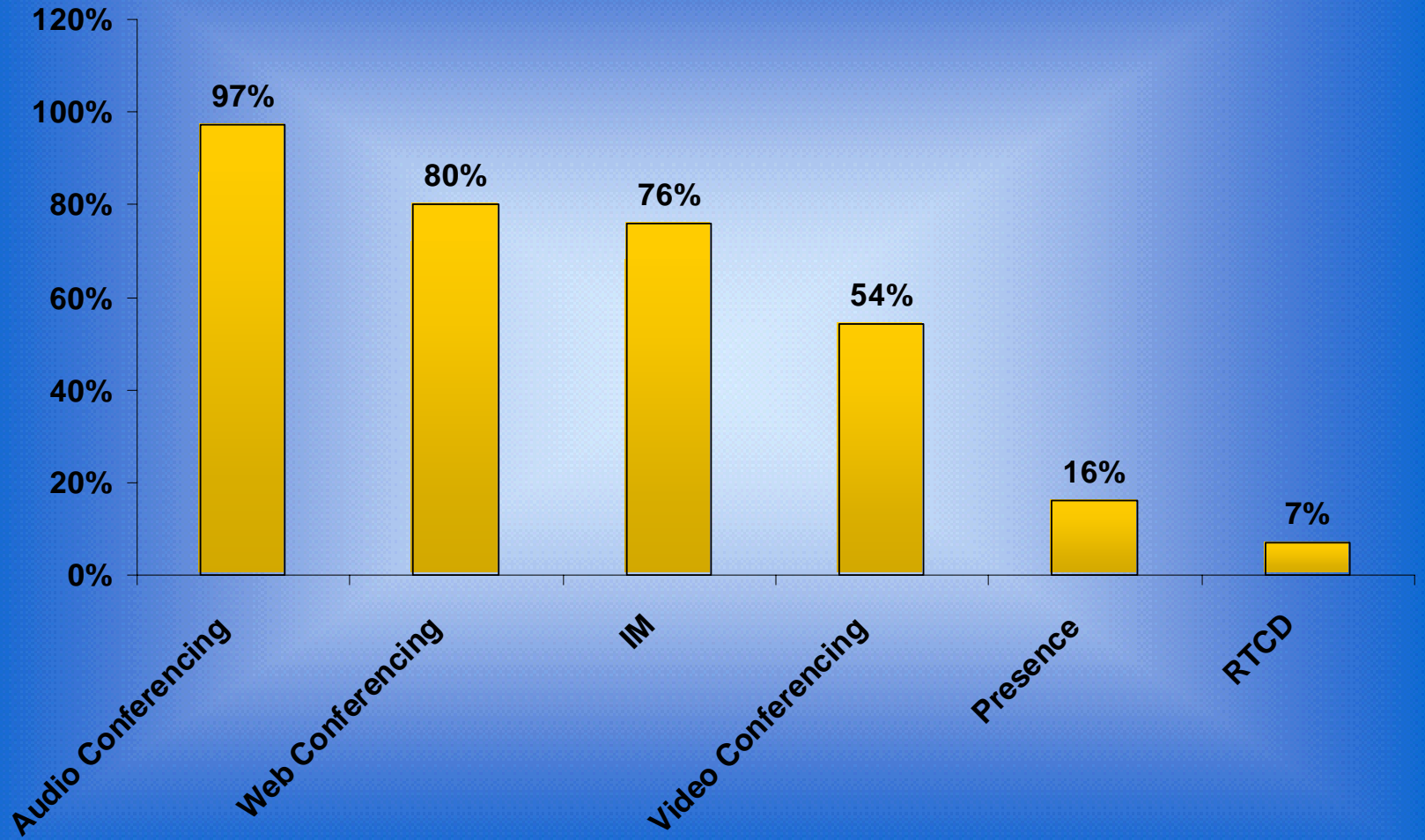
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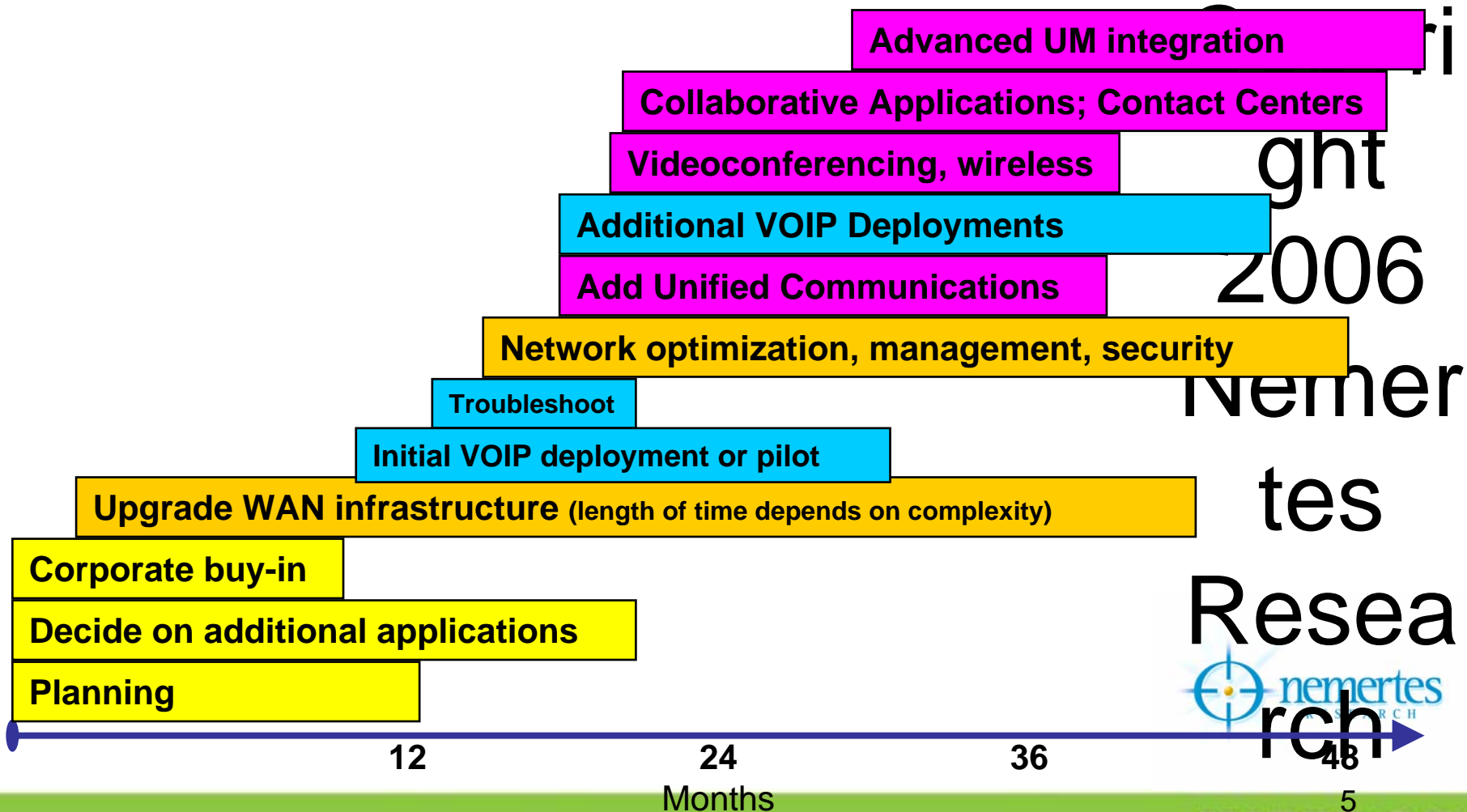
- 58% of IT Executives considers their company to be a virtual workplace.
- More than 75% of them report using real-time communications technologies today.
- 90% of employees work in locations other than headquarters.
- Between 40% and 70% of employees work in different locations from their supervisors.
- The number of virtual workers has increased by a whopping 800% over the past five years.



## What Real-Time Applications do you use?

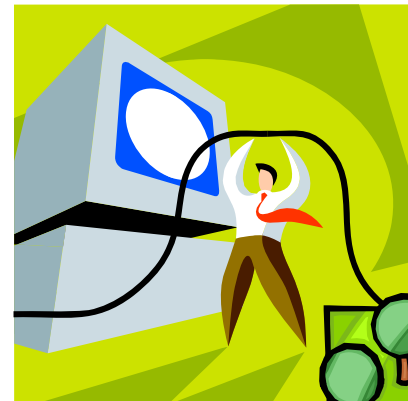


# Convergence Timeline: ©



# Presence As The Killer App©

- Presence Drives Real-Time Communications...
- And Bridges the Virtual Workplace Gap
- But the Value is Hard to Quantify;

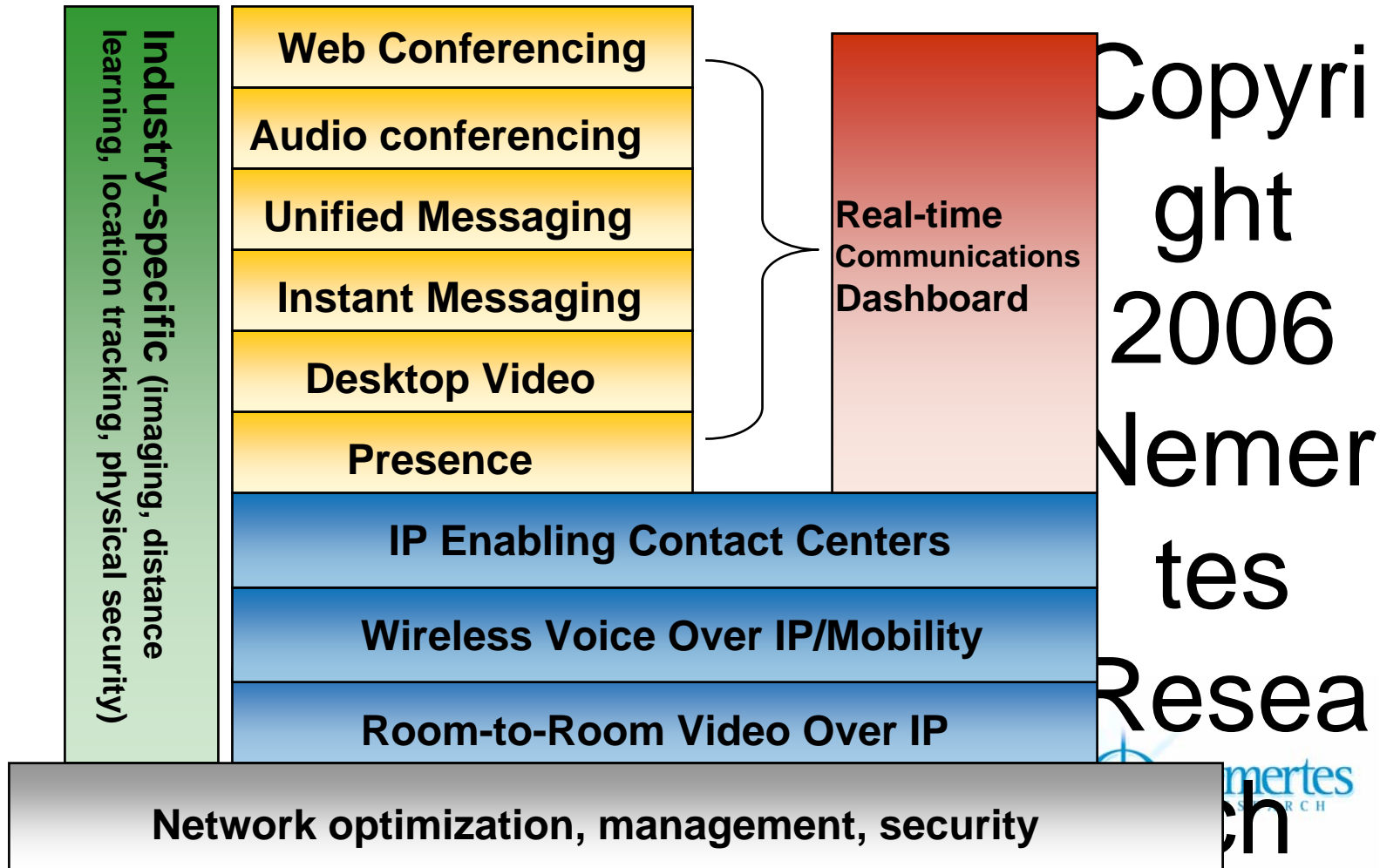


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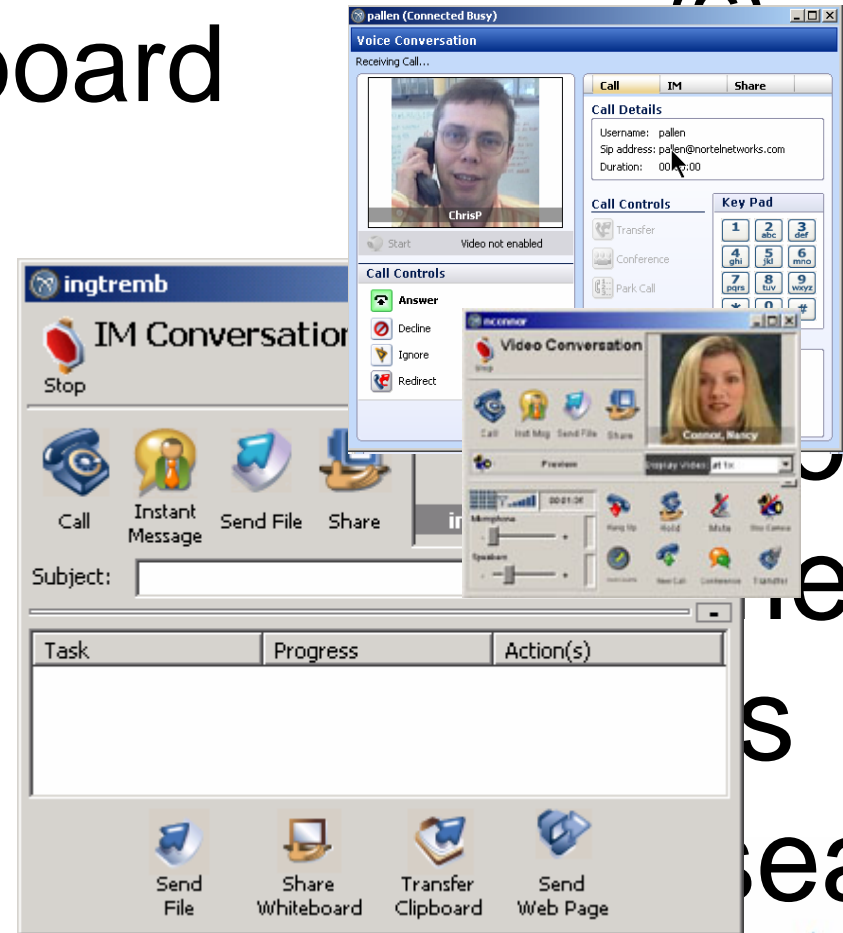
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# Presence Functional Model©



# Real-Time Communications Dashboard

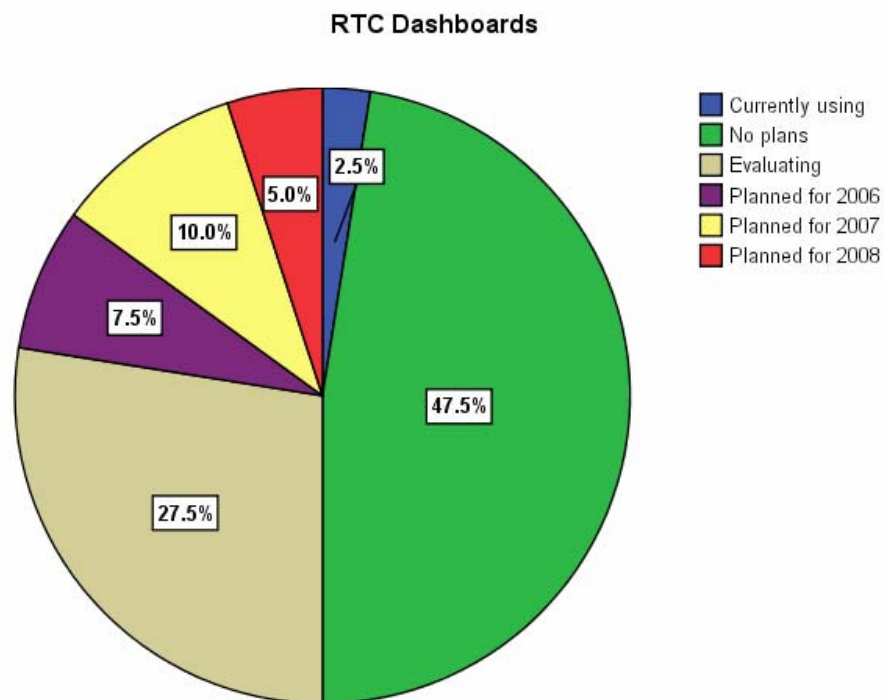
- Unifies
  - IM
  - Conferencing (audio, video, Web)
  - Voice (point-to-point calling & related features)
  - Unified Messaging
  - Presence



# RTCD Value



- Low current implementation, but growing interest
- Average price customers willing to pay increased from \$291 to \$437 per seat.



# Video Conferencing Evolution

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- Video Conferencing Then:
  - Room-based
  - Dedicated circuits or on-demand services such as ISDN
  - High bandwidth 768 kbps (128 kbps for single ISDN BRI)
- Drawbacks
  - Separate high-cost network
  - Limited flexibility (what if you aren't near a room?)
  - No ability to tie into other applications (e.g. presence/web conferencing)

# Video Conferencing Trends©

- Video over IP (Trunking)
- Desktop video conferencing
  - Allows workers to participate regardless of location
  - Integration with web conferencing systems and room-based systems
  - Cheap - all you need is a USB camera, speakers, and microphone

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# IP Video Provides Cost, Productivity Benefits

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- The next application organizations consider after VOIP.
- Drivers:
  - Cost savings (travel)
  - Improved employee productivity
  - Project collaboration/branch-office workers
- Benefits (room-to-room)

Videoconferencing Costs	
Average Hours/Month	2006 \$0
Average Per-Hour Rate	\$250.000
<b>Total Monthly Cost</b>	<b>\$20,000</b>
Average IP Video bridges	\$162,100
Operational Startup	\$68,000
Payback/months (ALL calls)	11.51
Payback/months (50% of calls)	16.33
Payback/months (30% of calls)	38.36

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# Video Plans on the Rise ©

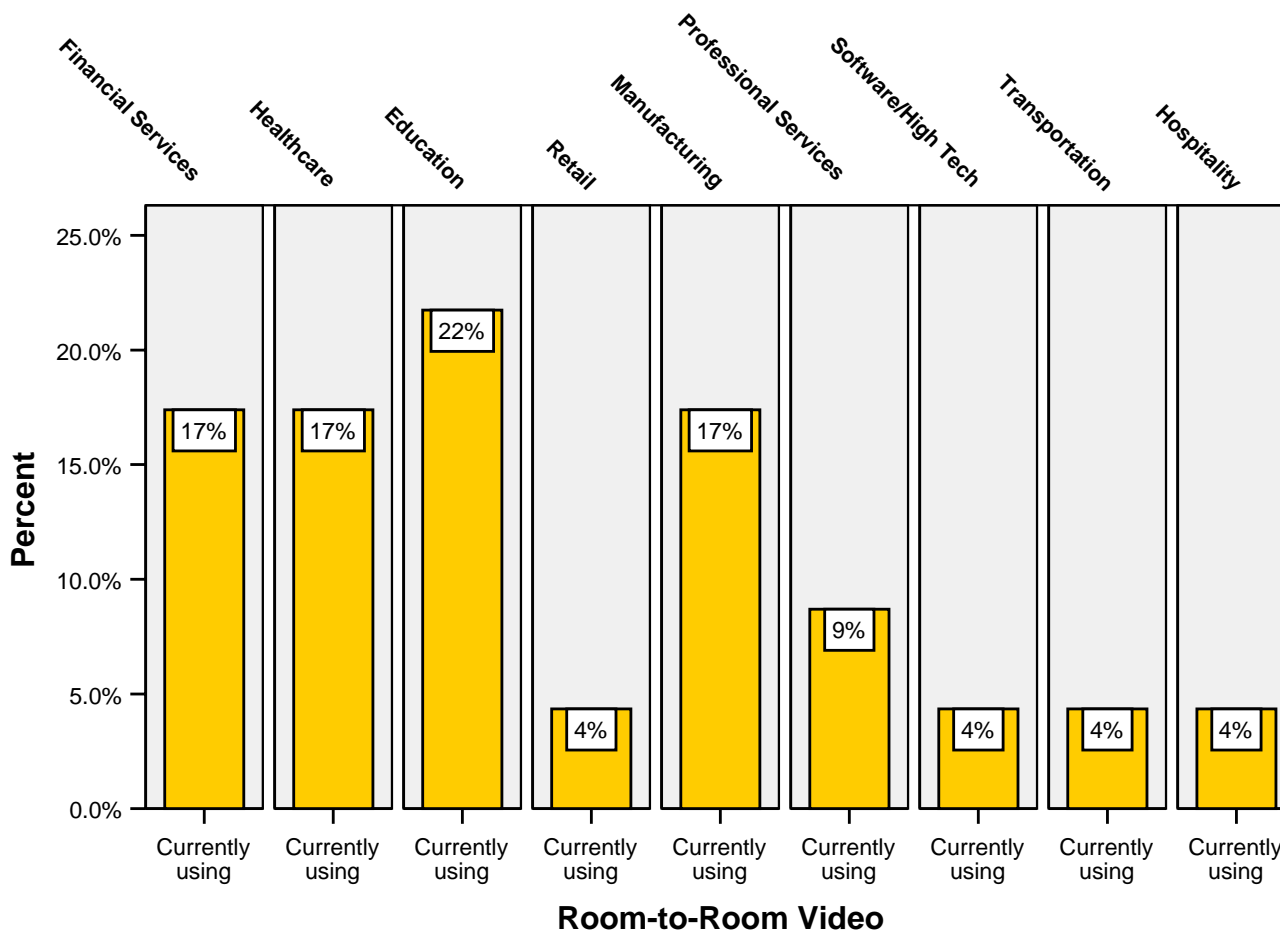
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- 30% are using video over IP today
- 25% have plans to use room-to room video over IP
- 37% plan to use desktop video over IP
- By 2007-2008, a growing number of organizations will use both room-to-room and desktop video conferencing over IP

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# Vertical Breakdown

Room-to-Room Videoconferencing, by Industry

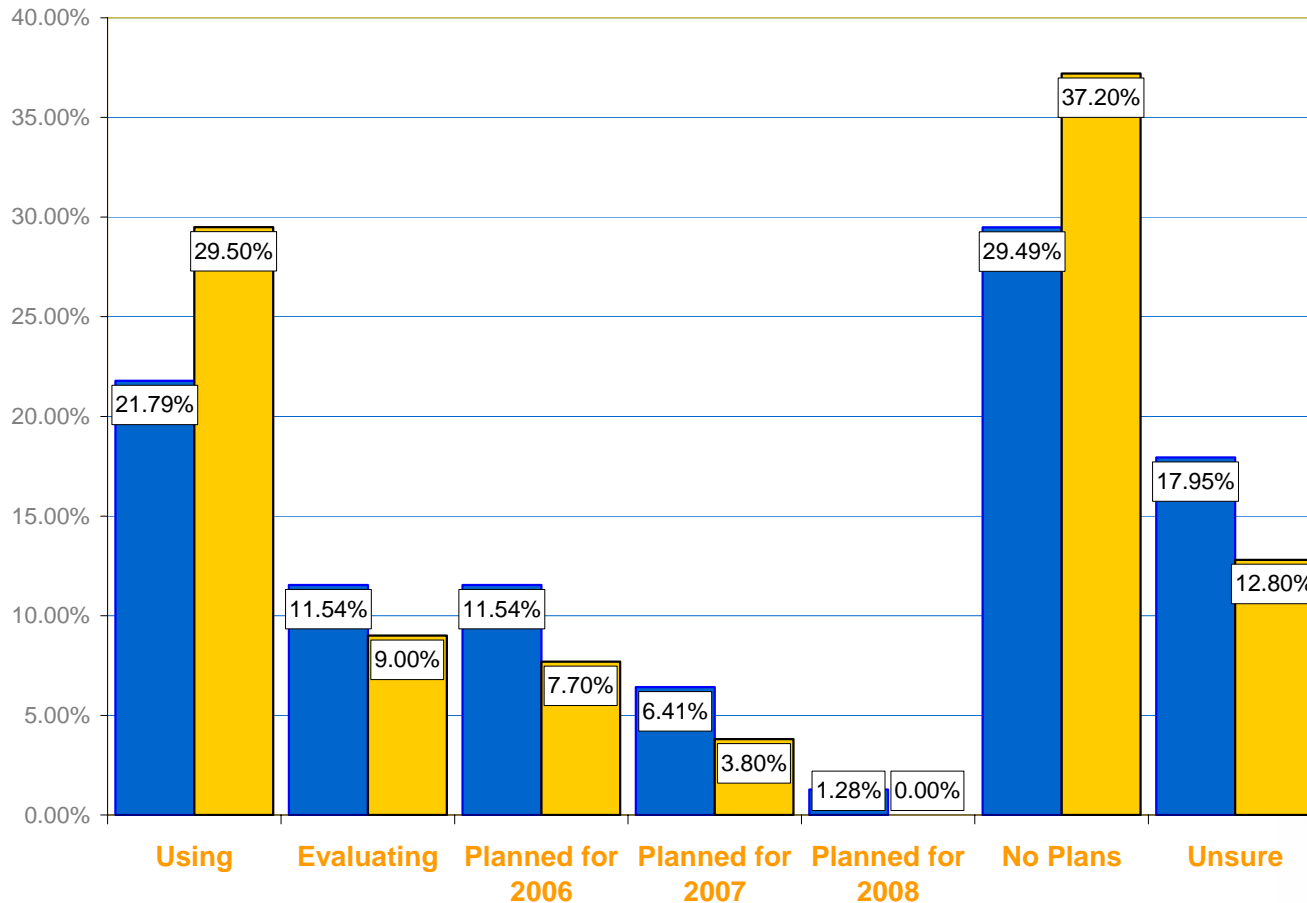


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# Desktop vs. Room-to-Room©

IP Videoconferencing, Desktop vs. Room-to-Room



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# Next Generation Video Conferencing

- High Definition - Telepresence
  - “Next best thing to being there” clarity
  - Examples:
    - HP HALO
    - LifeSize
    - TANDBERG, Polycom



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# HiDef Video Conferencing ©

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- System Limitations
  - Bandwidth (1Mbps up to 54 Mbps)
  - Costs
    - HALO - \$550k initial cost, \$30k recurring cost (per month, per room)
    - PolyCom / LifeSize initial offerings at \$12,000 for a room-based system, plus monitor
  - Scalability
    - HALO is only point-to-point
    - Scalability of other systems limited by available bandwidth

# Network Impact

- Video is bandwidth intensive
  - Minimum of 128 kbps
  - Codecs matter
    - Newer codecs such as H.264 and H.264 SVC reduce bandwidth requirements
      - But at the expense of increased computational requirements
  - Troubleshooting is difficult
    - CPU issues, not just the network

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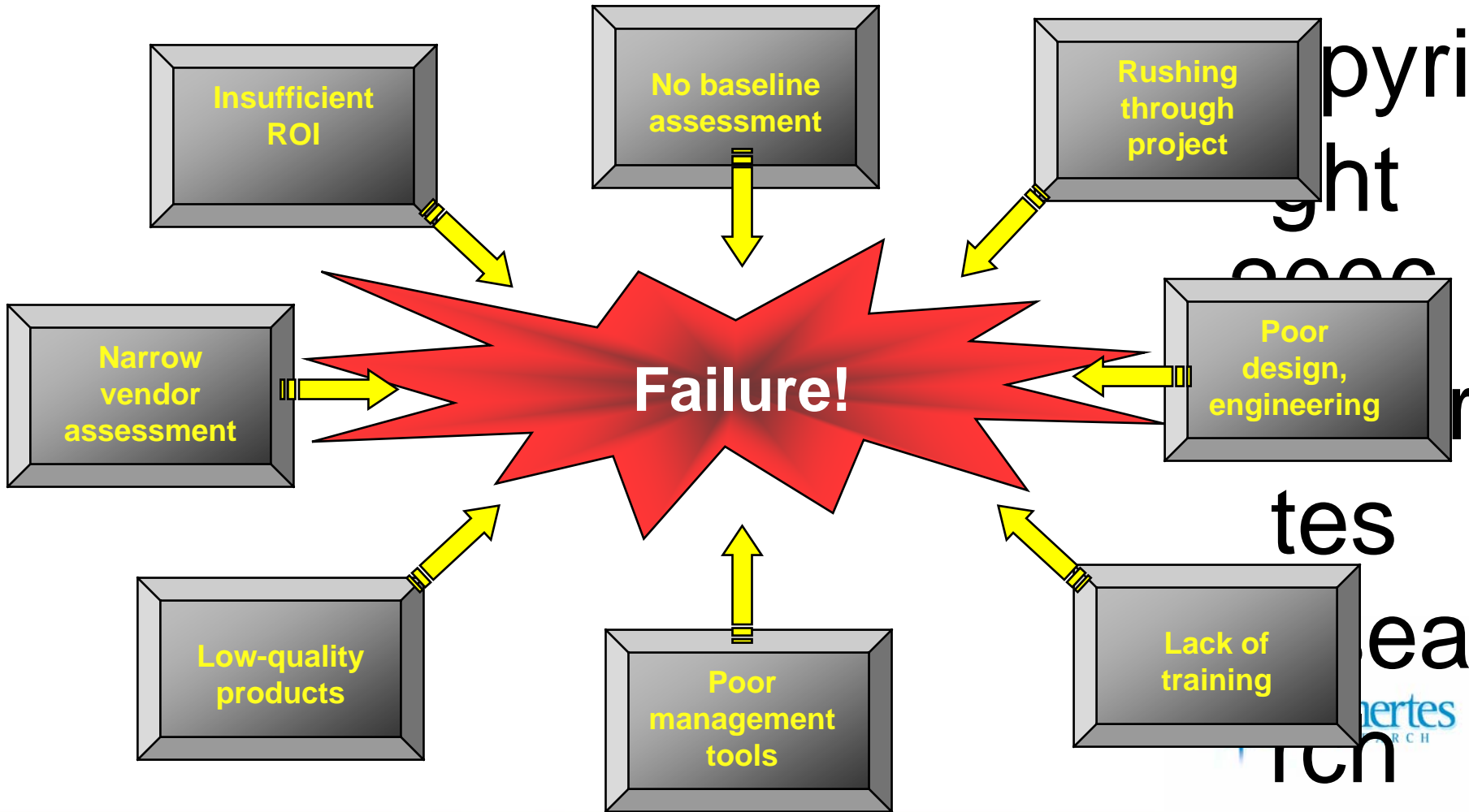
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# Typical Pitfalls

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# When do Standards Matter?©

- SIP/SIMPLE are the clear winners in the standards battle...
- ...but IT executives don't really care
- What they want are open products that play well with others



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# Architectural Issues: Today and Tomorrow

- Hosted vs. In-House
- Network Architecture
- Security: Top Priority
- Beyond the Enterprise Boundary

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# Network Impact

- Re-architecting the network to support high-bandwidth, any-to-any traffic flows
- No guarantees for home users



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# Beyond Network Boundaries©

- How to extend video conferencing to partners, customers, suppliers?
  - Direct peering model
  - Third-party peering services
  - Public services (SightSpeed/Skype)
- Likely a mix-and-match moving forward
- Video is entering the mobile world

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# Are You Ready for IP Videoconferencing?

- Your staff is increasingly dispersed.
- You find value in visual meetings with partners, customers.
- You have converged your network infrastructure to IP, QOS is in place, and you're already running voice over IP.
- You already use ISDN videoconferencing on a limited basis.
- Staff is asking for desktop videoconferencing

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# Recommendations

- Like voice, it is inevitable that room-based video will move to IP
- Determine ROI for desktop video conferencing
- Plan for extending video beyond enterprise boundaries
- Integrate communications & collaboration planning

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# Thank You



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# Introductions

- About Nemertes
  - Founded October 2002
  - Research data comes from network of 2,500 IT executives willing to discuss their issues and concerns at length
  - Focused on analyzing the business value of emerging technologies

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