

## Cisco Powered Managed Service Designations: Business Benefits and Designation Process

Differentiate your managed services by providing validation from an objective third-party auditor.

### Executive Summary

To maximize the revenue opportunity from the burgeoning managed services market, service providers, systems integrators, and value-added resellers (VARs) need to win the confidence of enterprises and small and medium-sized businesses. Cisco® Powered managed service designations, unique within the industry, differentiate managed services by providing validation from an objective third-party auditor that the managed service is based on industry standards and Cisco best practices, and is designed to deliver an excellent end-user experience. Managed service providers that earn the designations also receive the financial benefits of a value-based business model as well as Cisco Powered technical, marketing, and branding resources.

### Market Dynamics Shaping the Managed Services Market

Managed services demand is growing at a rate of more than 20 percent annually.<sup>1</sup> The uptake has been spurred by business customers' recognition that selectively out-tasking IT services, infrastructure, and applications helps them become more competitive. Out-tasking enables them to adopt new technologies more rapidly, with less disruption, and at lower cost.

Continued growth and evolution in the managed services industry is changing the market dynamics in the following ways:

- *More stringent client demands:* Business customers' operations, revenues, and reputations increasingly depend on network-based applications such as ERP, e-commerce, and IP telephony. Therefore, customers need assurance that managed services will deliver a high-quality, nonstop, consistent end-user experience with their critical applications. In response, service providers are backing their services with more stringent service-level agreements (SLAs) or service-level guarantees (SLGs). Typical SLAs include service, application, and network-performance metrics; skilled support personnel who speak the business customer's language; and processes that identify and remediate problems.
- *Sourcing from multiple providers:* Managed services customers no longer want to turn over total control and visibility of their network and applications to a single third party, as was typical of early outsourcing arrangements. Instead, they want to source individual services from multiple vendors whose service most closely meets their needs.

---

<sup>1</sup> Ovum, 2006

- *Greater focus on the end-user experience:* Business customers that out-task want visibility into real-time and historical performance, SLA compliance, and progress on service requests. They also want the ability to make basic service changes themselves, such as telephone extension moves, adds, and changes or allocating more bandwidth to a particular site or application. Service providers can provide visibility by offering a customer Web portal. This is a win-win proposition: the business customer retains control of the service and gains peace of mind, and the service provider reduces customer-care costs and becomes a trusted extension to the customers' team.

## Cisco Powered Managed Service Designations

The Cisco Powered managed service designation indicates that the managed service has passed a rigorous, annual independent audit validating that it conforms to accepted industry standards and Cisco best practices. Table 1 shows the managed services eligible for designation. Descriptions of each managed service follow the table.

**Table 1.** Cisco Powered Managed Service Designations

Service Category	Designation
Cisco Powered Managed Connectivity	Managed MPLS VPN Managed Metro Ethernet Managed IP Trunking Managed Internet
Cisco Powered Managed Security	Managed Firewall Managed Intrusion Detection Service (IDS) or Managed Intrusion Prevention Service (IPS)
Cisco Powered Managed Unified Communications	Managed Business Communications Managed Unified Contact Center

## Cisco Powered Managed Connectivity Services

### Managed MPLS VPN

A Cisco Powered managed MPLS VPN service provides private IP networks with high-quality, secure, any-to-any connectivity. The service is based on the Cisco IP Next-Generation Network (IP NGN) architecture, Multiprotocol Label Switching (MPLS), and Cisco Design and Implementation Guides. The audit required for the designation validates that the service:

- Delivers appropriate levels of latency, jitter, and packet loss to ensure the successful, concurrent handling of multiple types of traffic, especially voice and video traveling between customer sites.
- Classifies and prioritizes traffic flows from end to end, enabling SLAs for multiple classes of service.
- Includes comprehensive SLAs covering the overall performance of the service, and online access to real-time and historical service-performance reports.

### **Managed Metro Ethernet**

A Cisco Powered managed Metro Ethernet service provides high-speed, site-to-site connectivity. It is based on the Cisco IP NGN architecture, Cisco Design and Implementation Guide, and Metro Ethernet Forum standards and specifications. The audit required for the designation validates that the service:

- Supports the delivery of voice, video, and other mission-critical applications.
- Delivers a variety of point-to-point and multipoint Ethernet services over Layer 1, Layer 2, and Layer 3 topologies with seamless integration.
- Supports quality of service (QoS), including classification and prioritization techniques to enable multiple service levels.
- Includes comprehensive SLAs covering the overall performance of the service, and online access to real-time and historical service-performance reports.

### **Managed IP Trunking**

A Cisco Powered managed IP trunking service is a Session Initiation Protocol (SIP)-based trunk from the service provider to an IP PBX or key system, delivering voice, multimedia, and data traffic. The audit required for the designation validates that the service:

- Provides basic connectivity for local- and long-distance calling, emergency services, dial-plan management, and operator services
- Includes the IP termination service and features a PBX with a gateway, an integrated access device (IAD), or an IP PBX.
- Is backed by comprehensive SLAs that cover the overall performance of the service; customers have online access to real-time and historical service-performance reports.

### **Managed Internet Service**

A Cisco Powered managed Internet service delivers secure Internet connectivity. It is based on the Cisco Self-Defending Network architecture and is built on a secure infrastructure. The audit required for the designation validates that the service:

- Delivers connectivity for users regardless of their locations and access methods.
- Is backed by comprehensive SLAs that cover network performance and service availability; customers have online access to real-time and historical service-performance reports.
- Supports QoS, access control lists, and other industry best practices.

## **Cisco Powered Managed Security Services**

### **Managed Firewall**

A Cisco Powered managed firewall service provides proven Cisco firewall technology solutions to help customers better protect their business infrastructure. The audit required for the designation validates that the service:

- Is managed from a security operations center.
- Supports the major features available on Cisco firewall solutions, such as network bandwidth optimization and anti-IP address spoofing, and conforms to Cisco and industry best practices.

- Includes comprehensive SLAs for service performance and a Web portal that provides real-time and historical performance analysis.

### **Managed Intrusion Detection System or Intrusion Prevention System**

A Cisco Powered managed IDS or IPS service uses deep-packet inspection technology from Cisco to protect a customer's business infrastructure. The audit required for the designation validates that the service:

- Delivers real-time monitoring, detection, and mitigation of many types of malicious network traffic, such as distributed denial-of-service (DDoS) attacks.
- Is managed from a security operations center and is deployed at strategic locations across the enterprise network. It supports the major features available on the Cisco IDS/IPS solutions and conforms to Cisco and industry best practices.
- Includes comprehensive SLAs for service performance and a Web portal that provides real-time and historical performance analysis.

### **Cisco Powered Managed Unified Communications**

#### **Managed Business Communications**

A Cisco Powered managed business communications service provides unified voice, video, data, and mobility communications for the business environment. The audit required for the designation validates that the service:

- Integrates voice, video, and collaborative data applications into intelligent network communications solutions. These solutions, including IP telephony, unified communications, and rich-media conferencing, take full advantage of the power, resilience, and flexibility of an organization's IP network.
- Provides QoS capabilities that ensure a consistent experience, service-resiliency options for site design, and embedded security capabilities that protect the customer environment.
- Includes comprehensive SLAs for service performance and a Web portal that provides real-time and historical performance analysis.

#### **Managed Unified Contact Center**

A Cisco Powered managed unified contact center service provides an IP-based, centralized infrastructure that can support many distributed sites. The audit required for the designation validates that the service:

- Comprises a full suite of contact management services that can be implemented all at once or incrementally.
- Supports customer deployments of fewer than 10 agents and scales to support more than 1000 agents.
- Provides administrative control options for the customer's environment.
- Delivers intelligent call routing, network-to-desktop computer-telephony integration, and multichannel contact management over an IP network to contact center agents.
- Enables TDM-to-IP connectivity with Cisco VoIP gateways, and media termination with Cisco Unified IP phones.
- Includes comprehensive SLAs for service performance and a Web portal that provides real-time and historical performance analysis.

## The Role of Managed Services Designations in the Cisco Managed Services Channel Program

The Cisco Managed Services Channel Program (MSCP) helps service providers deliver high-quality, global managed services, accelerate service deployment, and increase revenues. To achieve these goals, the program provides consistent global pricing and terms; rewards partners incrementally for the value their service brings to the market; and provides unique branding and marketing opportunities for the managed service.

All participating managed services undergo an annual third-party audit assessing the people, processes, and tools used in the delivery of the service. Audited services that meet the criteria for excellence achieve the Cisco Powered managed service designation.

## Benefits of Earning Cisco Powered Managed Services Designations

### Value-Based Business Model

The Cisco MSCP provides discounts and rebates for customer premises equipment that supports qualifying services (see Table 2). These benefits are offered to all program participants with qualifying managed services. Program rewards are tied to the relative value of each service that program participants bring to market:

- *Cisco Powered managed services* receive a Cisco Powered designation, which indicates that the service delivers high value to customers, meets industry standards for service delivery, and achieves Cisco's benchmark for quality. Providers whose services qualify receive financial, branding, and go-to-market benefits for services that meet these requirements.
- *Strategic Managed Services* accelerate adoption of Cisco advanced technology solutions by providing business customers with predictable costs and reducing the risk of technology adoption. Like Cisco Powered managed services, Strategic Managed Services are validated by a third party, giving customers the confidence to rely on their managed services provider to deliver comprehensive solutions with an end-to-end product and service guarantee. Strategic Managed Services are based on Cisco advanced technology products or an IP-transport managed service that is based partially or wholly on a Cisco infrastructure. Each service may have additional requirements, depending on the technical attributes, SLA components, and service management reports needed to deliver a high-quality end-user experience.
- *Legacy Managed Services* do not require Cisco infrastructure ports. Examples are Frame Relay or ATM solutions. Legacy Managed Services are usually traditional network solutions that are not based on IP or a Cisco infrastructure. Non-transport services that do not use Cisco advanced technology products, such as managed LAN, are also considered legacy services.

**Table 2.** MSCP Financial Benefits

MSCP Designations	Requirements	Discount and Rebate
Cisco Powered Managed Services	A comprehensive managed advanced technology service based on Cisco products, composed of edge and transport services  Meets the technical, personnel and systems, procedures, and SLA qualification criteria for the Cisco Powered designation for managed services	47 percent discount* 10 percent on net rebate* Cisco Powered Program membership, which provides technical, marketing, and branding benefits
Strategic Managed Services	Edge services based on Cisco advanced technology products Transport services based primarily on Cisco IP networks	47 percent discount*
Legacy Managed Services	Edge services not based on advanced technology products Transport services not based on Cisco IP networks	42 percent discount*

\* The Value Incentive Program (VIP), Opportunity Incentive Program (OIP), and Solution Incentive Program (SIP) do not apply when partners make purchases under the Cisco MSCP.

### Consistent Global Pricing and Terms

Qualified providers receive consistent pricing and terms regardless of the location or title disposition of the equipment. Consistent global pricing makes it more cost-effective to expand into new regions. Cisco has aligned its channel program so that providers can more easily deliver managed services globally.

### Cisco Branding Opportunity

Partners that receive Cisco Powered managed service designations set the industry standard for their ability to deliver the highest value-added managed services. They receive resources designed to help them envision and build managed services, and deliver them to their existing and target customers. One of the branding resources available to partners is Cisco Powered managed service logos, which can be used on sales collateral and in promotional campaigns to differentiate the managed service. The logo also includes text describing the service category: managed connectivity, managed security, or managed unified communications (Figure 1). The Cisco Powered managed service brand indicates that the service has met Cisco and industry standards and will receive special recognition on the enhanced Partner Locator tool on Cisco.com.

**Figure 1.** Cisco Powered Managed Service Logos

The Cisco Powered managed service brand, identified by the logo, conveys the following messages to business customers. Cisco continually reinforces these messages in its communications to enterprises and small and medium-sized businesses:

- *Credibility and peace of mind:* Business customers are reassured by third-party validation that the service is secure and reliable. This gives them the peace of mind that their customers and employees will enjoy a consistent experience when using their critical business applications. The service provider is accountable for defined SLAs for QoS and security and high levels of customer satisfaction. This assurance removes the guesswork from selecting a partner and limits the risk of adopting managed services.

- *Reassurance that the customer can retain control of managed service delivery.* To earn the designation, the service provider, systems integrator, or VAR must provide a Web portal that gives business customers visibility into all problem and incident-management activity. This requirement helps ensure compliance with customer SLAs and instills a culture of accountability.
- *Unequivocal quality.* A managed service that bears the logo inherits Cisco brand values of quality and reliability in the mind of the purchaser. Service provider sales and marketing teams can use the Cisco brand to complement their own brand values.

### **Cisco Powered Program Technical Benefits**

Service providers, systems integrators, and VARs whose services receive designations receive technical resources to help build managed services, reduce operating costs, and deliver an excellent customer experience. Technical resources available to program members include:

- Managed service architectures
- Managed service design guides and best practices
- Technical training opportunities
- Technical newsletters
- Technical Web meetings and updates
- CCIE® lab exam vouchers
- Networkers Online live Webcasts
- Networkers Online video-on-demand library

### **Sales and Marketing Benefits**

Sales and marketing benefits available to providers whose services receive designations help accelerate service introduction, increase the efficiency of service provider sales force and channels, build sales competencies, and develop and execute highly effective marketing campaigns. Marketing resources available to program members include:

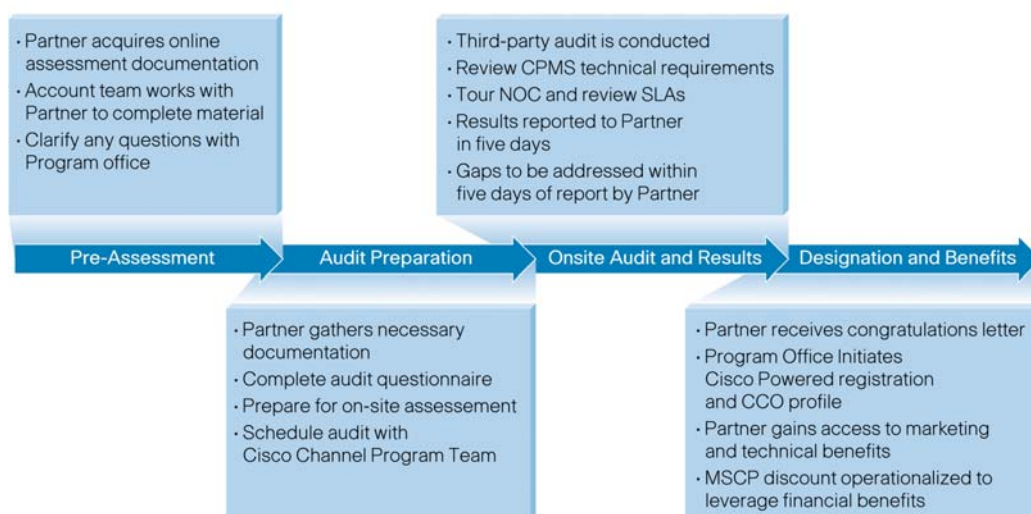
- Cisco Powered Program search tool
- Cisco.com profile
- Joint marketing (opportunity-specific, by application)
- Sales readiness training
- Go-to-market supply chain tools
- Sales and marketing resource toolkits
- Market research
- Managed services guides
- Business analysis tools
- Managed services e-tours
- Marketing newsletter

## The Designation Process

For each managed service, Cisco has specified requirements for staff expertise, policies, procedures, and technologies, based on best practices derived from the industry and the experience of Cisco itself. An impartial third party, not Cisco, conducts an annual audit to validate that the managed service meets all requirements (Figure 2). The impartiality and rigor of the audit process, which is unique within the managed services industry, creates a competitive advantage by reassuring prospective customers that the managed service has met defined Cisco and industry standards.

A Cisco Powered managed service designation is valid for one year. Partners that conform to program rules can renew after repeating the third-party audit.

**Figure 2.** Cisco Powered Managed Service Qualification Process



## For More Information

To find out more about Cisco Powered managed service designations, visit: [www.cisco.com/cpn](http://www.cisco.com/cpn)

To begin the designation process, go to: [http://www.cisco.com/pcgi-bin/cpn/cpn\\_screen\\_zero.pl](http://www.cisco.com/pcgi-bin/cpn/cpn_screen_zero.pl)

To read the agreement required to receive financial benefits, visit:

<http://www.cisco.com/web/partners/pr11/pr193/requirement.html>



**Americas Headquarters**  
 Cisco Systems, Inc.  
 170 West Tasman Drive  
 San Jose, CA 95134-1706  
 USA  
[www.cisco.com](http://www.cisco.com)  
 Tel: 408 526-4000  
 800 553-NETS (6387)  
 Fax: 408 527-0883

**Asia Pacific Headquarters**  
 Cisco Systems, Inc.  
 168 Robinson Road  
 #28-01 Capital Tower  
 Singapore 068912  
[www.cisco.com](http://www.cisco.com)  
 Tel: +65 6317 7777  
 Fax: +65 6317 7799

**Europe Headquarters**  
 Cisco Systems International BV  
 Haarlerbergpark  
 Haarlerbergweg 13-19  
 1101 CH Amsterdam  
 The Netherlands  
[www-europe.cisco.com](http://www-europe.cisco.com)  
 Tel: +31 0 800 020 0791  
 Fax: +31 0 20 357 1100

Cisco has more than 200 offices worldwide. Addresses, phone numbers, and fax numbers are listed on the Cisco Website at [www.cisco.com/go/offices](http://www.cisco.com/go/offices).

©2007 Cisco Systems, Inc. All rights reserved. CCVP, the Cisco logo, and the Cisco Square Bridge logo are trademarks of Cisco Systems, Inc.; Changing the Way We Work, Live, Play, and Learn is a service mark of Cisco Systems, Inc.; and Access Registrar, Aironet, BPX, Catalyst, CCDA, CCDP, CCIE, CCIP, CCNA, CCNP, CCSP, Cisco, the Cisco Certified Internetwork Expert logo, Cisco IOS, Cisco Press, Cisco Systems, Cisco Systems Capital, the Cisco Systems logo, Cisco Unity, Enterprise/Solver, EtherChannel, EtherFast, EtherSwitch, Fast Step, Follow Me Browsing, FormShare, GigaDrive, HomeLink, Internet Quotient, IOS, iPhone, IP/TV, iQ Expertise, the iQ logo, iQ Net Readiness Scorecard, iQuick Study, LightStream, Linksys, MeetingPlace, MGX, Networking Academy, Network Registrar, PIX, ProConnect, ScriptShare, SMARTnet, StackWise, The Fastest Way to Increase Your Internet Quotient, and TransPath are registered trademarks of Cisco Systems, Inc. and/or its affiliates in the United States and certain other countries.

All other trademarks mentioned in this document or Website are the property of their respective owners. The use of the word partner does not imply a partnership relationship between Cisco and any other company. (0708R)