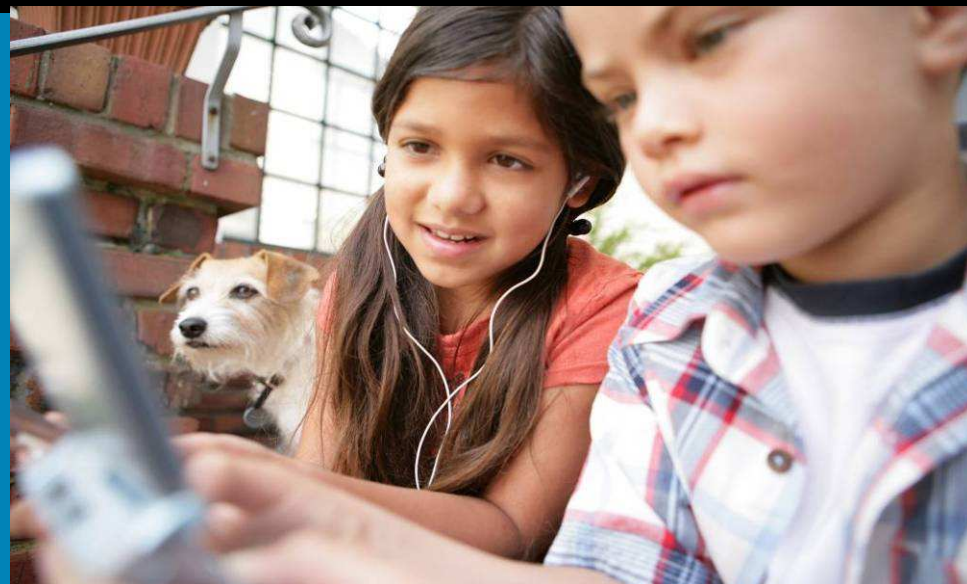




## Cisco Collaboration Analyst Update Europe 5/8/2008



**Tim Stone: Head of Collaboration Solutions, Europe**

**Dave Thomson: Manager, Customer Business Transformation, Europe**

**Christian Korff: Technical Director, Germany**

**Keith Griffin: Technical Leader, UC Systems Engineering, Galway**

# GAAP Reconciliation and Forward-Looking Statements

## GAAP RECONCILIATION

During this presentation references to financial measures of the Company will include references to pro forma financial measures. Cisco provides a complete reconciliation between GAAP and pro forma financial information on our website at [www.cisco.com](http://www.cisco.com) under “About Cisco” in the “Investor Relations” section.

[www.cisco.com/go/gaap\\_recon](http://www.cisco.com/go/gaap_recon)

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## FORWARD-LOOKING STATEMENTS

This presentation contains projections and other forward-looking statements regarding future events or the future financial performance of the Company, including future operating results. These projections and statements are only predictions. Actual events or results may differ materially from those in the projections or other forward-looking statements. Please see the Company’s [filings with the SEC](#), including its most recent filings on Forms 10-K and 10-Q, for a discussion of important risk factors that could cause actual events or results to differ materially from those in the projections or forward-looking statements.

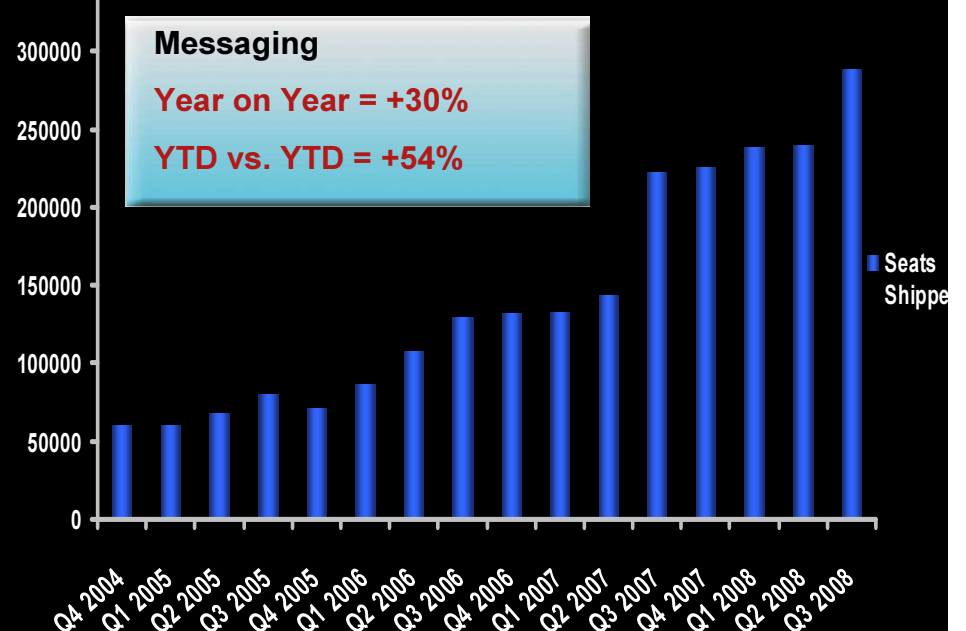
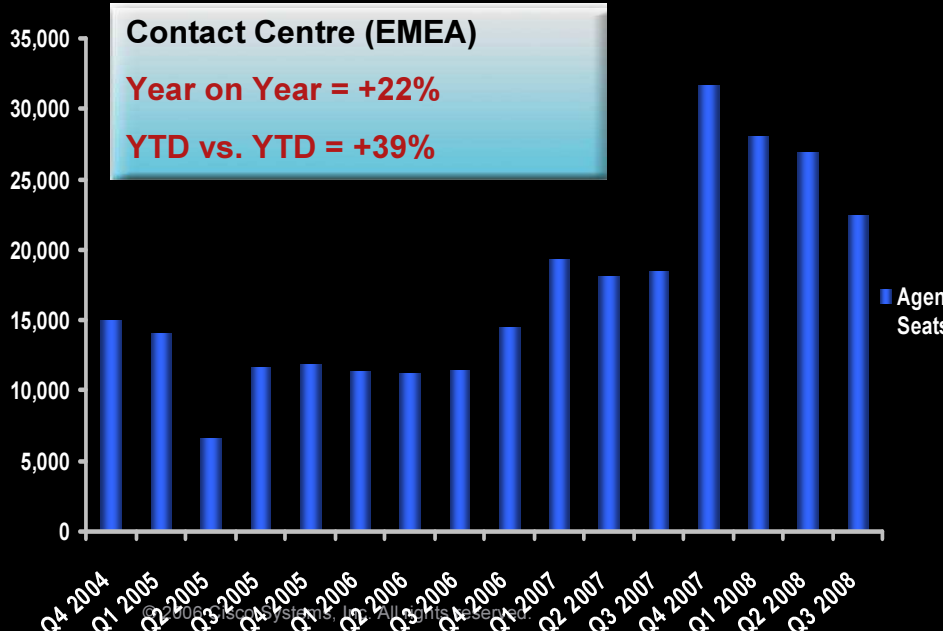
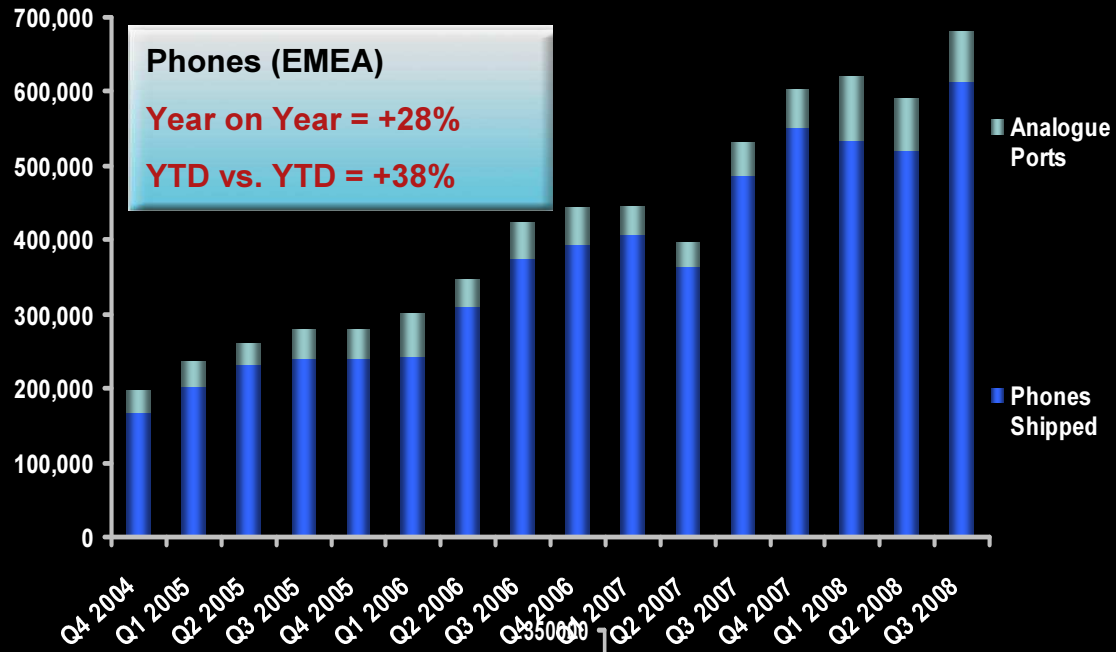
# European UC Market Observations

- Business Transformation increasingly important technology impact on
  - Collaboration, employee tools, supply chain, customer service, ROI
- Software vendors entry delaying decisions
  - Concerns over scalability and reliability for voice
  - Interoperability is key
- Vendor staying power
- Mobility and mobile integration
- Software as a Service
- Green

# Cisco European execution highlights 2008

- Collaboration Launch
  - 50 Euro Journalists, 123 Analysts, 500 consultants, customers, partners
- UC Sales Force transitioned to Collaboration Sales
  - Focus CUWL, Webex and TP Skills to 58 PSS
- New European and UK Business Transformation Teams
  - Focus on Public, Finance, Manufacturing, CIS
- Channel Enablement SMB/MM
  - 98% discount on CUWL own use, 23% rebate for selling CUWL
  - 1, 000 partners attended training on collaboration
- TelePresence Momentum and Pipeline
  - 18 ATP and 23 Satellite, SPIFF introduced, 1,000 Systems WW
- UC Marketing Focus
  - UC Momentum Campaign traction with SP's and key partners
  - UC Applications Advantage Campaign

# Cisco EMEA Growth



# From 800 PBX's/Key Systems...



# ...To 2 IP Clusters



# North Wales Police

## Case Study

1

**Decrease crime and the fear of crime**



**Officers now spend more time out on the street**

**Cisco Unity integrated with BlackBerrys means officers no longer have to return to station to pick up voicemail**

**CUVA and CUVC reduces travel time**

2

**Reduce costs**



**Cisco IP Telephony for HQ (Colwyn Bay) and all 75 police stations**

**CUVA, CUVC and 7985 video phones reduces travel expenses between stations and travel to Crown Prosecution Service**

3

**Support the Green initiatives**



**CUVA, CUVC and 7985 video phones reduces travel and CO<sub>2</sub> emissions**

**Considering TelePresence to address this even further**

## Business Value

- Replacing old system saves £100,000 annually
- Save £58,695 annually on system lease and maintenance
- Eliminated 30 hours weekly in travel time in one district, for £39,913 savings in six months
- Reduced carbon emissions by 2.8 tons in six months

# HealthPresence

## An Alternative Healthcare Delivery Model

### Healthcare Transformation



**”HealthPresence is an asset to improve the quality of telephone advice and triage. Being able to visualise and have physiological parameters on a patient will improve patient care”**

Dr Karyn Webster and Dr Fiona Mair



Scottish Centre  
for Telehealth



### Challenge

- Increased demand for health services
- Difficult to access doctors in remote and rural areas
- Shortage of medical experts

### Engagement & Solution

- Public-private partnership (Cisco+ Scottish Center for Telehealth + NHS Scotland)
- Global cross-functional engagement to develop new solution
- Solution based on Cisco IPC/UC, TP, UCC and IP-based Medical devices

### Customer Results

- Opportunity to 'transform' healthcare delivery systems radically
- Improved citizen experience
- More effective care delivery model

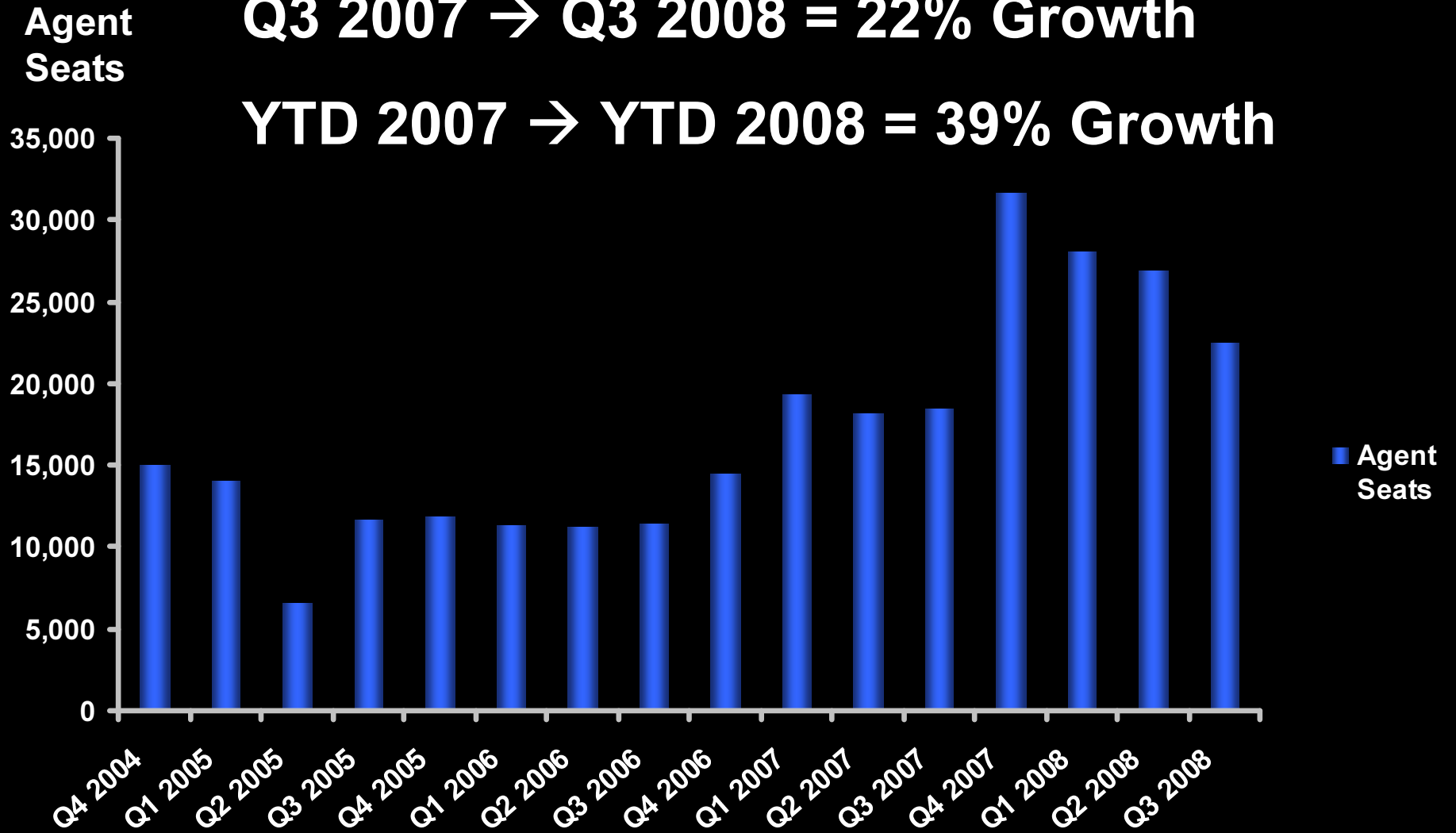
# The European Contact Centre Market

- Observations from the European market
  - Customer service / customer experience high up corporate agenda – focus now on keeping customers
  - Express revenues growing more rapidly
    - Enterprise – requires board level approval
    - Express – can be signed off lower down organisation, new functionality meets requirements of 80% of European CCs
  - Business case / ROI is imperative
  - Hosted and on-demand starting to gain traction
    - CCoD – 2 recent orders of 1,000+ agents
  - Digital signage being used in the CC
  - Negative press on offshoring has quietened down
  - Lot of interest in call avoidance / systems thinking (lean)

# Contact Centre – Q3 2008 (EMEA)

**Q3 2007 → Q3 2008 = 22% Growth**

**YTD 2007 → YTD 2008 = 39% Growth**

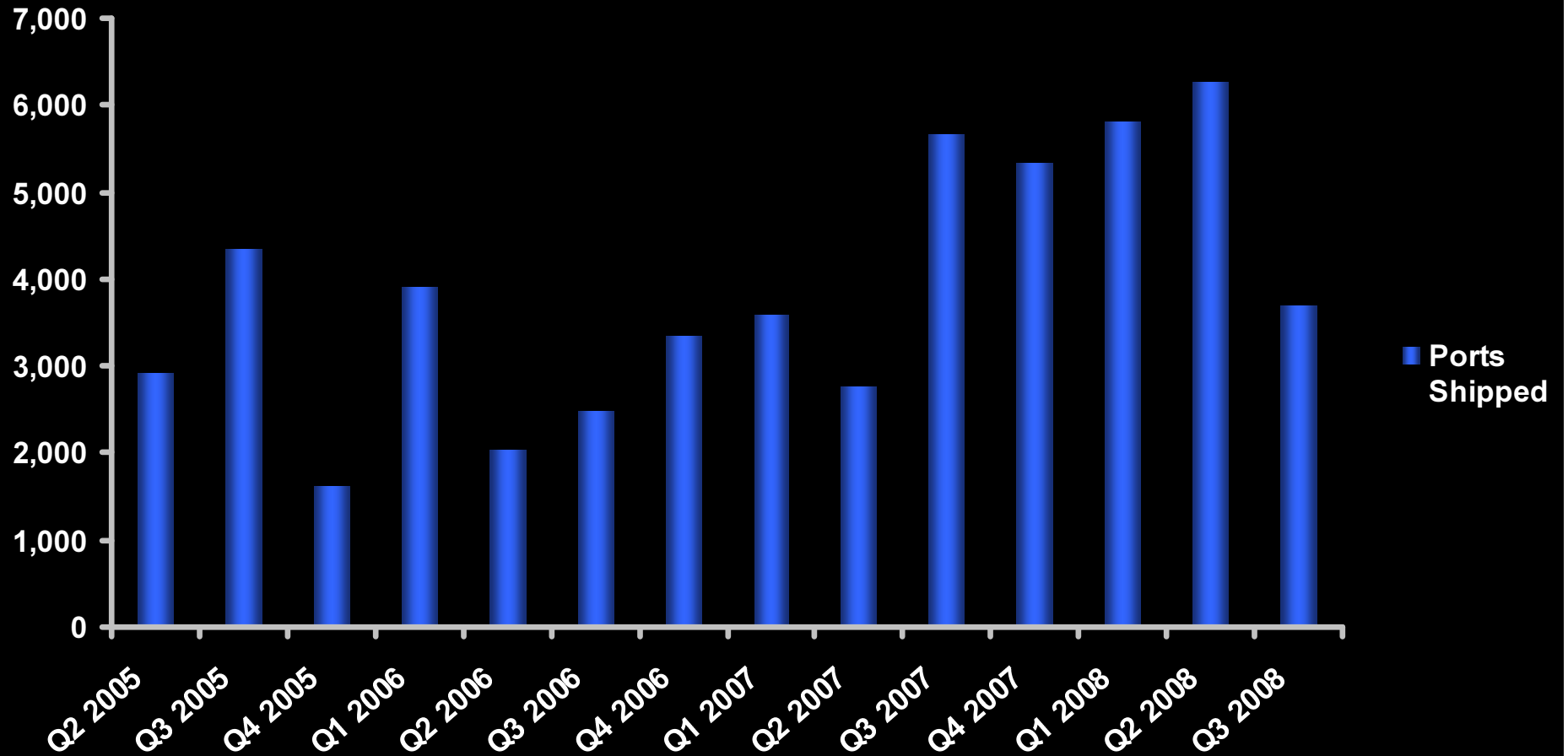


• Source: Cisco Shipment Data by Calendar Quarter

# IVR – Q3 2008 (EMEA)

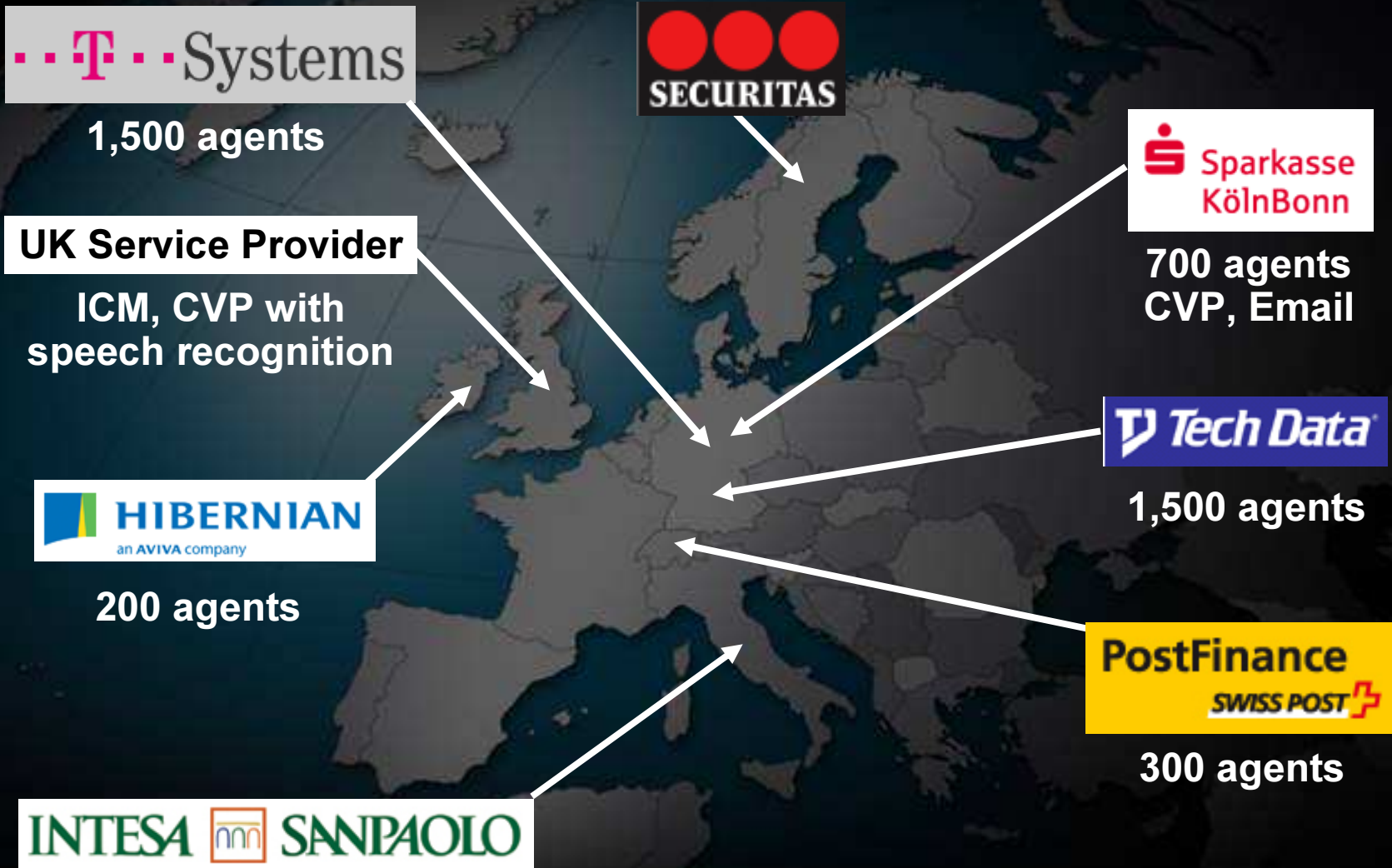
Ports Shipped

YTD 2007 → YTD 2008 = 81% Growth



• Source: Cisco Shipment Data by Calendar Quarter

# Sample of New European Customers



# Product Update

- CUCS Express

  - Presence integration

  - Simplified agent email

  - Improved supervisor administration

  - Expert on Demand (TelePresence)

  - Included in CUWL (1 per 25)

- CUCS Enterprise

  - Presence integration

  - Expert Advisor

  - Cisco Unified Intelligence Suite

- CUCS Hosted

  - On-Demand

- CVP

  - Video IVR

  - Video messages in queue

  - Pushing videos to the customer's device

# Program Update

- CC integrated into standard UC marketing campaigns  
UC Knockout, Applications Advantage, IBLM
- Big push to educate AM and PAMs on transformational role of contact centres
- Recruiting new ATPs in UK, FR and DE
- Igniting the UC Specialised partners
- Cisco Interaction Network a key reference point  
Thousands of agents, 60+ sites, one UCC Enterprise  
Won CCA Excellence Award (Nov 2008)

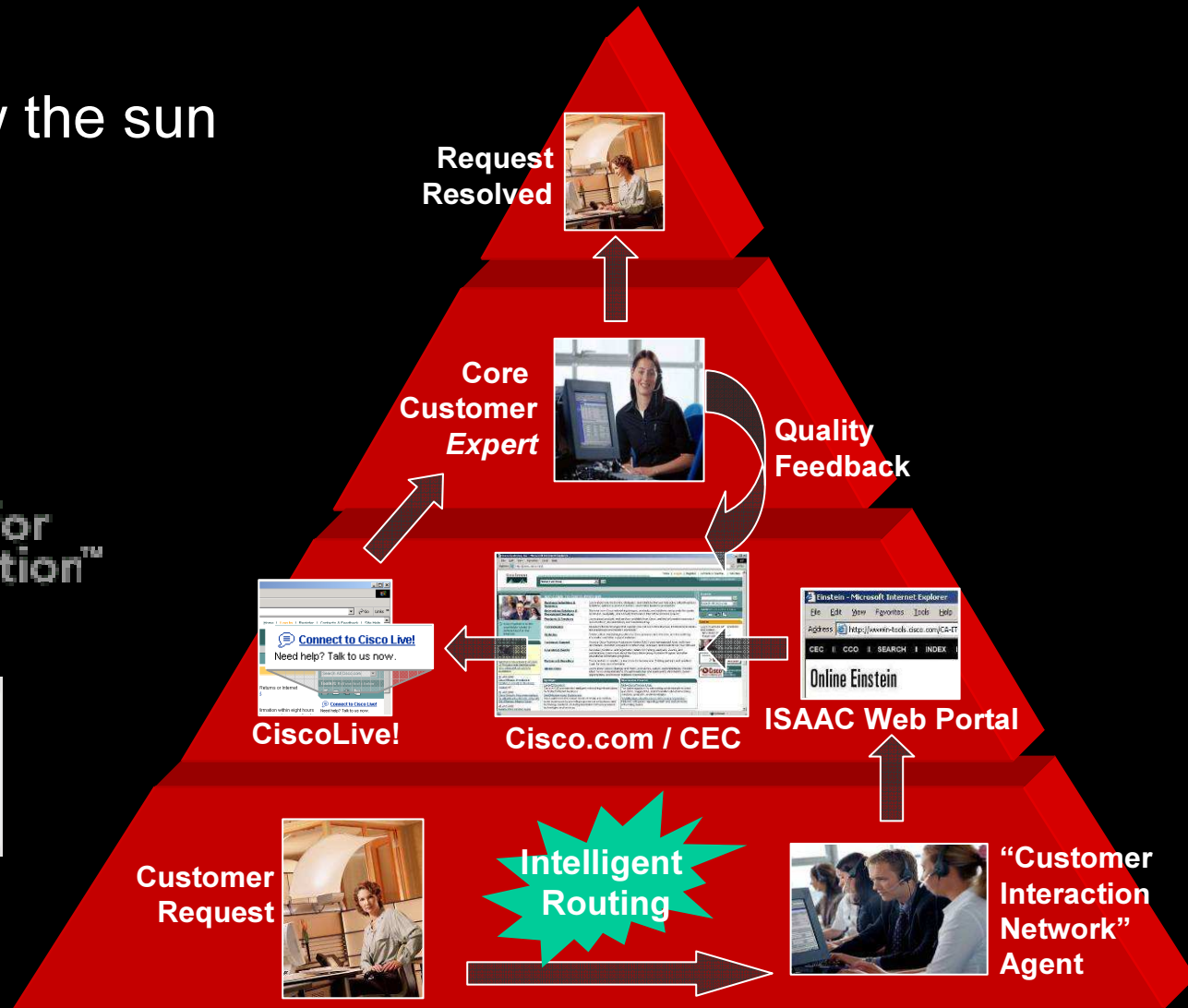
# Cisco CIN



- Global follow the sun call centre



Consortium for Service Innovation™



# Germany UC Market Observations



- Growing demand for converged UC solutions
- High adoption in large Enterprises
- Fast growing mid market (German Mittelstand)
- Market continues to be very competitive
- Green

# Cisco's commitment to Germany

Europameister...



...is closed loop marketing process...

...from Cisco awareness, via online advertisement, leading customers to our landing page...

...creating via click to X contacts, guiding via inbound call centre agents customers, creating leads, handing them over to AM's if named- or partners if not named accounts, tracking the projects in salesforce.com and partner activities via PLOG, building pipeline growth...

# Cisco's commitment to Germany

## Product Sales Specialist

- introduced 14 Product Sales Specialist's
- Focus on Unified Communication
- direct Customer touch

# Webasto

## Continued Global Expansion and Innovation



### Preparing for the Productive Borderless Organisation



**New Gilching facilities:**  
Preparing Webasto for continued global success



### Challenge

- German manufacturing company with solid customer base
- Low sales in especially in the US
- Need for global R&D coordination

### Engagement & Solution

- New facility supporting next generation collaboration needs
- Collaboration solution based on Cisco Unified Communications, Wireless etc.
- Blueprint for Webasto sites globally

### Customer Results

- Cost reductions (travel cost -20% and reduced communication cost)
- Improved collaboration: New apps enabling faster and better decisions

# Customers are still spending money

Large Automotive Company...

- has Cisco Unified Communication in roll-out
- is still investing into it on a monthly basis
- despite the fact, that all other spending are postponed

# Public Sector

- Adoption  
Many Next Generation Networks include Cisco UC
- Datacenter  
The state of Mecklenburg Vorpommern won the Cisco Innovation Award at the Networkers in 2008
- HUCS  
Hosted Unified Communications is very popular to drive cost reduction for communities
- Security  
Even the state ministry of NRW is using Cisco UC

# TelePresence has huge CxO relevance

## A large logistic Company

- has a CEO who is chasing us to get an offer ;-)
- has a big need to reduce their OpEX
- is in good company...

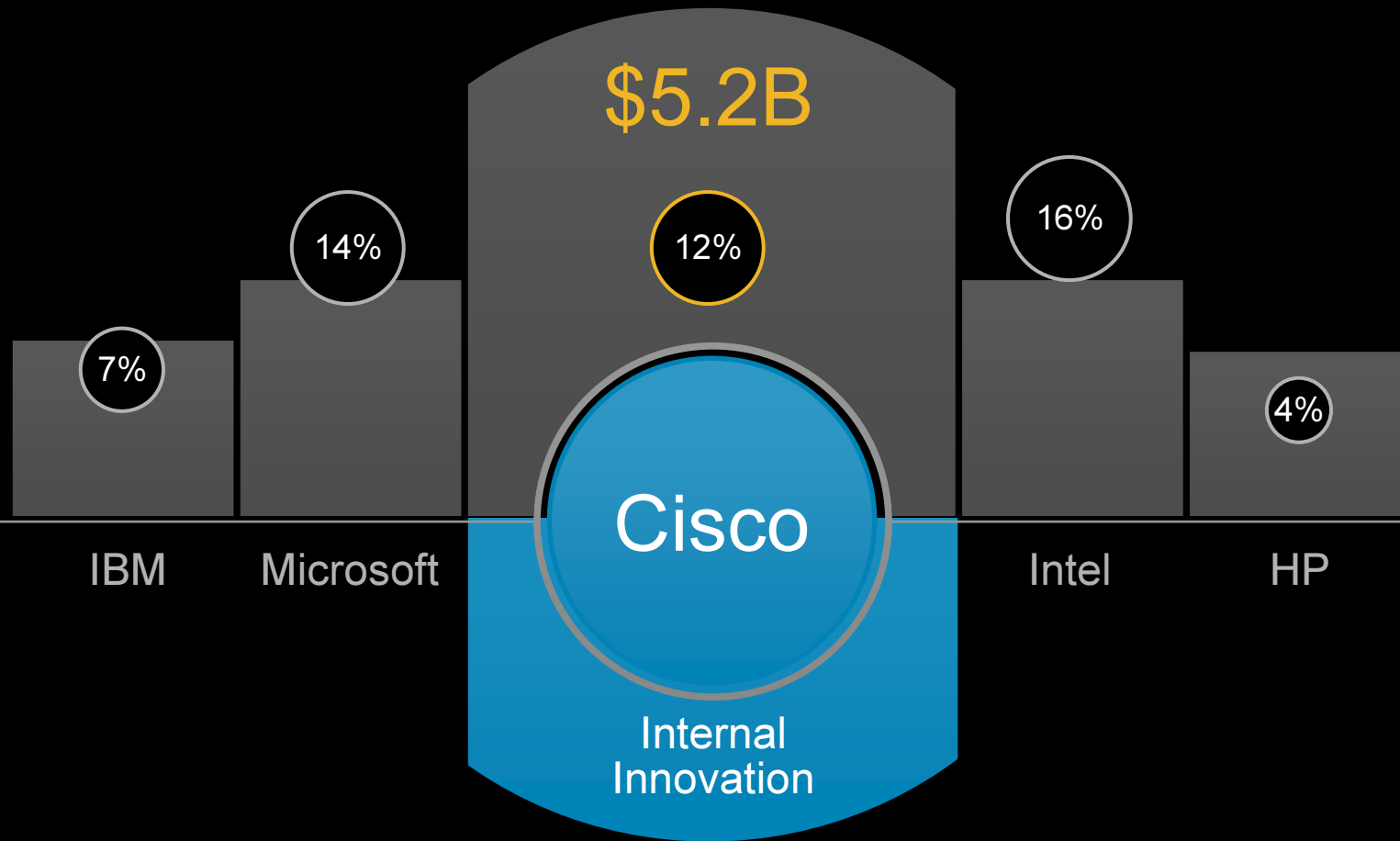




# Welcome to Cisco Labs



# Cisco R&D Commitment



R&D as Percent of FY08 Revenue

Source: Yahoo Finance, Company Financial Statements

# Global UC Lab Investment

Ireland, Opened June 1st 2008



- *Global UC R&D Design teams*
- *Multi-vendor UC Integrations*
- *Customer Partnering Centre*
- *Research Relationships*



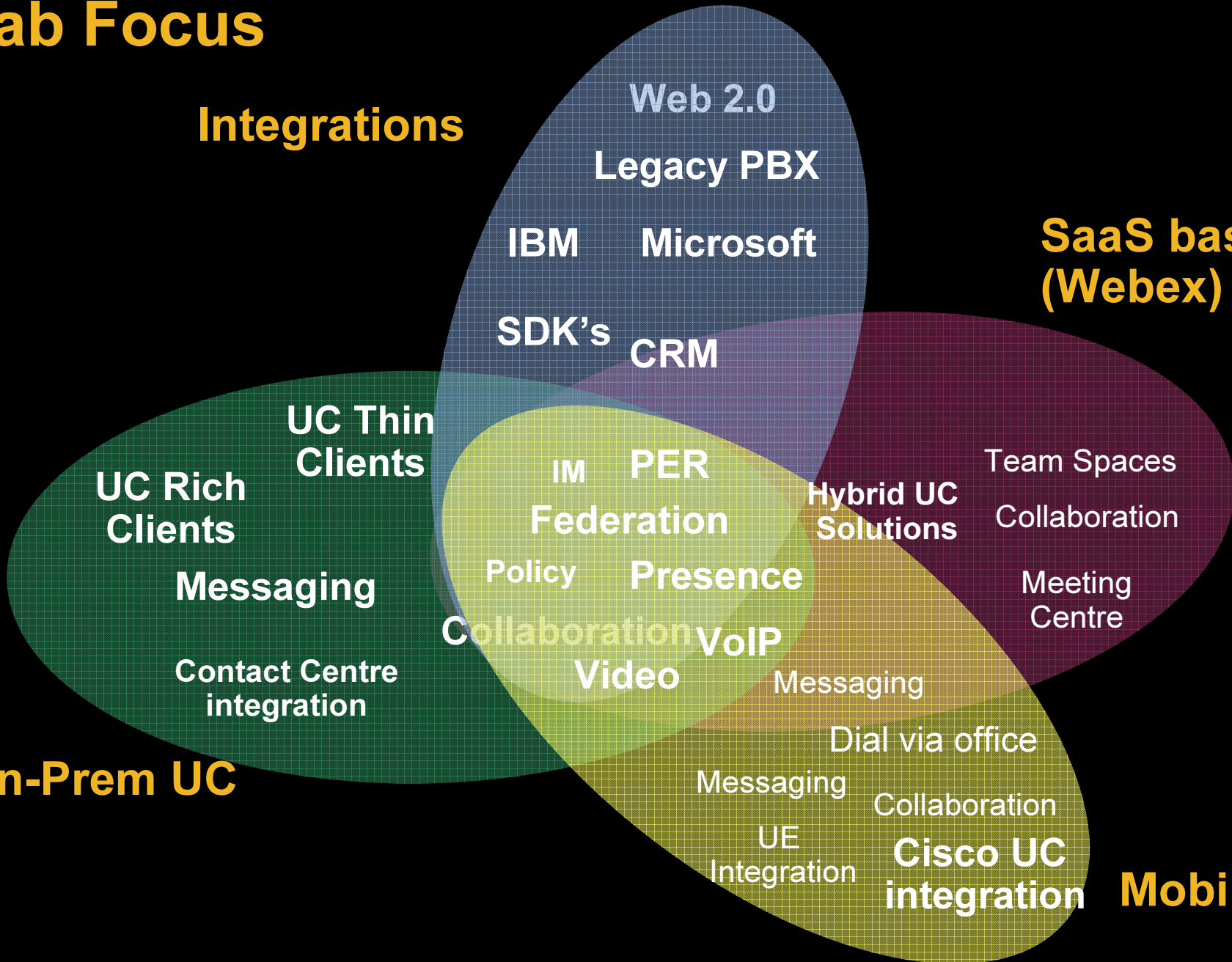
# Lab Focus

## Integrations

## SaaS based (Webex) UC

## On-Prem UC

## Mobility



# Customer Engagement and Partnering

- Partnering access to Global R&D Team.
  - *Deep Dive Specialist Focus*
  - *TelePresence / Collaboration to Global team*
  - *Global Product Direction*
- Market Innovation events.
- Technology Transfers
- “Cisco Technology Development Program” Labs
- Support strategic Partner

## UC Solution Demonstrations



## Global R&D Customer Access



## Global Expert Briefing



# Interoperability & Certification - Recent visits

Billing

Voice Recording



App Servers



Phone Apps

Trading Systems

System Management

Attendant Console

# Cisco UC Portfolio priorities

To empower people in the Human Network to collaborate effectively & elegantly--anytime, anywhere, on any device

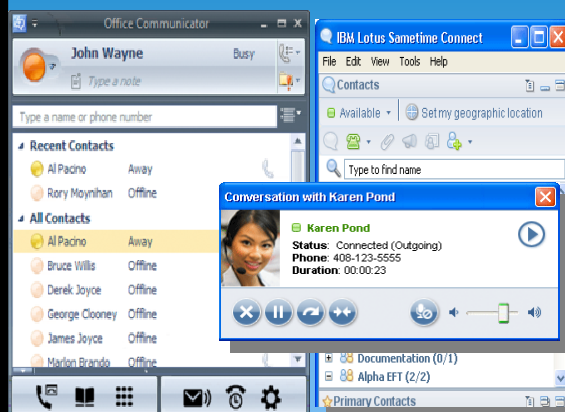


# Openness - Enabling Desktop Clients From the Bottom Up

## Cisco Client Experiences



## 3rd Party Desktop Experiences



## Integrators & Open Source Community



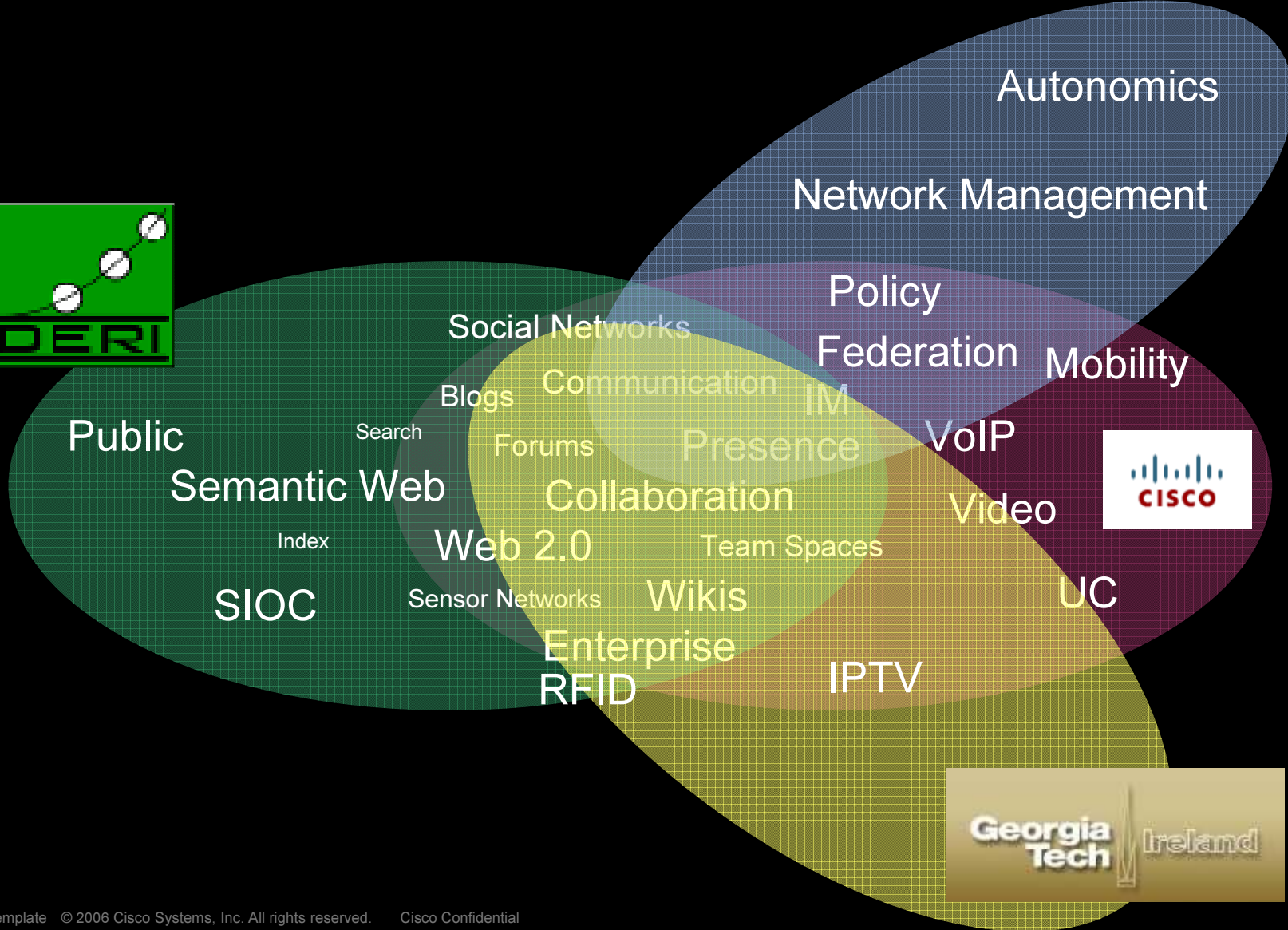
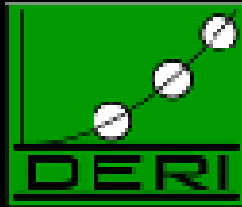
Client Service  
UC Core



Cisco UC  
Infrastructure Services



# Lab - Web 2.0 & UC Research Partners





**CISCO**