

What Is Unified Communications— And Why Should You Care?

Jim Burton, Marty Parker, Blair Pleasant & Don Van Doren

Four leading experts discuss the implications for voice's integration with business processes. You'll need to keep on top of this industry transition.

At VoiceCon Fall, there will be a “conference within a conference” focused on the emerging Unified Communications marketplace. Four independent consultants and analysts—Blair Pleasant of COMMfusion, Jim Burton of CT Link, Marty Parker and Don Van Doren from Vanguard Communications—are working with the VoiceCon organizers on the program. These four are also collaborating on a new website, www.ucstrategies.com, designed to be a portal into the emerging unified communications marketplace. *BCR* editor and VoiceCon program co-chair Eric Krapf recently caught up with the four and got their perspectives on the opportunities and issues in UC.

Eric: First, let's start with what you mean by Unified Communications—it seems that everyone is defining it differently and there's no agreement on what it includes.

Marty: Our group has defined Unified Communications as “Communications integrated to optimize business processes.” The key is that communication, at least in a business enterprise, should be thought of in terms of the business process—task, project, contact or collaboration—to which the communication is related. This takes communication out of the realm of a highly personalized, inconsistent “manual” task and puts communication into an informed, predictable and measurable context. Most well-run enterprises have already done this in contact centers, where results are most visible to customers, and it's time to make similar advances in the field, office and knowledge worker categories.

Jim: In the long term, I believe we will refer to all of this as simply communications. We will con-

tinue to describe each component as we do today: phone calls, IM, email, etc., but, as people become accustomed to what we are now calling unified communications, things will start to blend together just as handheld devices are starting to do. A cell phone now has email, calendaring and music capabilities.

Blair: I see UC as integrating real-time and non-real time communications with business processes and requirements based on presence capabilities, presenting a consistent unified user interface and experience across multiple devices and media types. The key elements are the use of presence, a unified or common user interface across devices and integration with back-office applications, systems and business processes.

Don: Being only a little facetious, one of the challenges is going to be what we call this. We used to “talk” to someone, but that's so voice-centric. In this brave new world, are we going to “communicate?” We need a nice, one-syllable, all-encompassing, descriptive noun and verb. Anyone have a great idea?

Eric: What are the various versions or configurations of UC solutions, and how do you see them being used by enterprises?

Jim: There are many usage scenarios, but I think the best example is one that solves many of our day-to-day communications problems. We call someone in their office, they don't answer so we leave a message, we then call them on their cell phone, get no answer, so we leave them another message, and then we send them an email. Often, when that person tries to return the call, the cycle starts over again.

As Blair mentioned, an important part of unified communications is presence. In the above example, before I even placed the call, I would know whether the person was available and where they were available. If I determined they were not available, I might have simply waited to call later, or sent them an IM or email. With UC, if you wanted to contact someone and through presence you found they were available, you might start with an IM to ask if they were available for a call.

When the other party received the IM, they could simply click a button and connect. Once connected, they could click another button and turn the call into a video call; by clicking another button they could start sharing applications. A third party input might be appropriate, and by again looking at the presence of people on the buddy list, you could simply click to drag them into the conference. The importance of all of this is that it's simple and more productive.

Marty: Unified communications can be based on any one of three new models, which in turn are differentiated by three factors: addressing, identity and media types.

The *telephony-based* model uses the telephone number as the addressing and identity model and voice as the primary media type. This model is being advanced by the IP-telephony suppliers such as Avaya and Cisco.

The *messaging-based* model uses SMTP and IM addresses as the addressing and identity model, and text with attachments as the primary media type. This model is being advanced by the leading email providers such as Microsoft and IBM.

Finally, the *application-based* model uses employee identification numbers as the addressing and identity model, with database information in Web portals as the primary media type. This model is being advanced by the enterprise application software providers such as SAP and Oracle/Siebel.

In each case, the suppliers work to extend their models to incorporate the other media, initially through expanded user/client interfaces and then by integrating their own and others' capabilities in a "service oriented architecture" (SOA). The choice of models depends on the nature of the enterprise's business and the jobs in that business.

Don: I agree with Marty's analysis. But looking at it from another direction, here are two different ways that UC might be adopted. First, if these capabilities are just positioned as productivity tools, even for knowledge workers or road warriors, I think it will be a hard sell in a lot of companies over the next few years. Until the client software comes bundled into the desktop and laptop operating systems and is effectively "free," with the server and central software costs spread over a large community, I think that many businesses will struggle with justification.

Second, the option that Blair mentioned will be more promising. That is, integrate these new communication capabilities into business applications and processes to enable companies to transform how they get work done. In those cases, these tools can become an integral part of shortening cycle times, building customer satisfaction, and other activities that can be directly connected with hard economic results. If those applications pay for the infrastructure costs, other users may tag along even with less tangible benefits.

Blair: Building on what Don mentioned, we're already seeing some of this happening—particularly in the contact center environment where specific business applications and processes are taking advantage of basic presence capabilities from within the CRM or contact center software. We're also seeing Microsoft Office applications, which most of us use daily, having UC capabilities embedded within the applications so users can do a "click-to-call" or set up an *ad hoc* conference from within the Word document or Excel spreadsheet, for example, without having to go to a separate application or user interface.

Eric: It seems that UC is made up of many components. What elements compose each of those types of UC solutions?

Blair: Let's make it clear from the beginning, UC is NOT unified messaging, although UM is a component of a total UC solution. The components I see as making up a UC solution include messaging (email, IM, voice, video), calling (audio, video), conferencing (audio, Web, video), presence, device awareness, information sharing (Web chat, file sharing, document sharing), business applications and database access, tied together with a common user interface (which may be Microsoft Office Communicator, or a vendor-specific interface). Right now, several vendors offer parts of a UC solution, but I don't see anyone offering the total package.

Don: I'd like to build on one of the items Blair mentioned—presence. This will be a critical component to getting many of the single best access benefits that UC promises. But it's a daunting problem. First, it seems to me that we need much better presence capabilities than have generally been talked about through all the announcements. Presence has to be much more than what we currently get with IM, and will certainly involve some sort of presence server that's hooked into everything. Sorting out which vendor owns that server will be a challenge, as everyone is entering their horse into that race.

Beyond that issue, here are a few desirable presence requirements to meet my needs:

I must be able to set some broad parameters for who can interrupt what sort of activities. Also, what devices do I have access to in which circumstances. This should be a setup step with only occasional modification. But when it needs to be modified, this must be easy to do.

Current status information has to be as automatic as possible, without requiring me to go in and set my status manually whenever I change tasks. This means communicating and integrating information from a variety of devices—telephone systems indicate that I'm talking on the phone or cell; my desktop applications notify the server that I'm actively working on a document; and maybe my car tells the server that I'm driving down I-95. Sounds even thornier than early CTI.

My information, stored on a presence server,

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has to be available across applications and across devices from different suppliers. We hear a lot of talk about “federation” from the suppliers. My guess is that “some animals will be more equal than others.” That is, companies will figure out ways to use proprietary linkages to provide a richer information set for their own devices.

Then the presence server has to collect and track all this status information for each user, then figure out how to display different options to different people in real time. That is, my boss will see different availability and access information for me than a co-worker or a business partner in another company.

We won’t get all of this in the near term, of course. We are likely to see multiple presence servers linked in some way. And the vision painted by the vendors is going to take some time to materialize. Frankly, one of the advantages of selecting specific business applications and processes for early implementation is that it limits the range of participants and the scope of the initial integration effort.

Marty: The elements are pretty clear for each of the three models I mentioned:

Telephony-based solutions will build on voice over IP (VOIP) PBX networks. Computer telephony integration (CTI) and Session Initiation Protocol (SIP) will be used to connect the PBX to the business processes and communication resources as has been done in contact centers in the past decade. Resources will include conferencing, voice messaging, instant messaging (based on the phone number), speech interfaces and links to cellular phones. Business processes will include links to customer databases (to route the calls) and to users’ calendars, contacts and tasks. Most telephony-based suppliers will offer a software client for PCs, and smart mobile phones will allow access to the user’s email account, in order to provide a fully integrated experience.

Messaging-based solutions will build on email servers and clients, including and expanding the suite of personal and office software tools, such as calendar, contacts and tasks. Messaging-based solutions will also incorporate IM options, integrated into the office tools so that a user’s presence status will be informed by calendar events and so that pointing at a users’ directory entry, contact information or IM entry will allow initiation of voice and video communications. These real-time elements will be provided either by CTI links to the installed PBX systems and related servers, or by adding IP and SIP-based servers to the messaging configurations, utilizing both server-based and peer-to-peer IP communications.

Application-based solutions will build on the user interfaces of the applications, including PC clients, Web browsers, mobile wireless devices and speech interfaces, to deliver the required communication elements to the employees at the appropriate point in the process. The applications will deliver the communication functions by integrating to modular, SOA-type services; these services may be bundled into the application package or may be accessed via CTI, SIP or other IT integrations to telephony or messaging servers already installed in the enterprise or networks.

Eric: It’s clear that all vendors are talking about UC, but what new value will UC deliver to enterprise customers?

Jim: UC will provide more efficient communications, thus saving time and valuable human resources. Often, email is used as a substitute for voice communications. In a UC environment, users will monitor the presence of their colleagues and click to connect when they are available, rather than enter into an email exchange. I’m not suggesting email will go away or not be used in

many applications. But in many instances, a real-time voice dialog is much more efficient and productive.

Marty: UC will deliver value in three main categories: The customer experience, differentiation of your business, and controlling

resources (time, payroll, assets, expenses, etc.) for your enterprise. The first two, customers and differentiation, should drive up your revenue, while the third should cut your costs.

With UC, your customers should always be served by employees with full knowledge of the customer’s preferences and transactions. Enterprises will find ways to deliver better products and services faster or less expensively than their competitors. And with UC, it should be possible to eliminate massive amounts of currently wasted time and expense. The key is actually to take action, i.e., actually change or improve your business processes to get these benefits.

Blair: I agree with Marty that this is the ultimate goal of UC, but I think that he has a longer term vision than I do. For the short term, UC will make it easier for people to interact with colleagues, customers, partners, suppliers and others in a more effective and efficient way than ever before. Whether they are located at a single site or distributed around the country—or even around the world—knowledge workers need new tools to help them better communicate and interact with one another. We’ll see enhanced communication both inside and outside the enterprise due to better communication between individuals, resulting in

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shorter project times, quicker time-to-market and organizational efficiency.

Eric: You mentioned a long term and short term view—when do you think enterprises will apply UC?

Jim: Elements of UC are already deployed, while others are still in development. Cisco, Microsoft, IBM, Oracle, and to some extent, BEA have already deployed elements of UC in what they had previously referred to as collaboration applications. A number of the UC components will go through the traditional corporate lab testing followed by internal beta and eventually corporate rollouts. It will take 18 to 36 months for this process to happen with many of the solutions announced in vendor road maps; full deployment will take even longer, just as we've seen with the deployment of IP-PBXs.

Blair: As Jim said, we've seen elements of UC being implemented for many years—audio conferencing has been around for many years, UM is certainly not new, and many large enterprises have been using Lotus Notes and some of the UC capabilities it provides. But tying all these elements together with a common user interface and integrating them into applications and business processes will take time. We're seeing early adopter companies implementing things like Microsoft's LCS or Nortel's MCS 5100, which are key starting points for a UC solution. But I don't believe we'll see massive UC rollouts for at least three years. More companies will start dabbling with presence servers over the next two years, and some companies will start tying UC to their business processes, but it will take more time before we see a significant uptake. But the time to start planning for and strategizing about which processes should and can be UC-enabled is now.

Marty: I agree with my colleagues that elements of UC have been emerging for the past five or more years and are showing up as faster responsiveness and better collaboration. UC is already being applied by the early adopter enterprises. However, the work to date has still had a large “manual” component and the implementations have been in isolated islands.

As we proceed, enterprises should be examining both their list of key processes and their roster of employee job types. Where the most important processes touch the largest group(s) of employees is exactly where UC should first be implemented. The good news is that this makes a UC implementation very feasible. As Don mentioned, an enterprise can start UC in one process for one group and build on the learning rather than trying to convert the entire enterprise to a new business model overnight.

Don: Yes, Marty, I agree that very soon we will start seeing the early-adopter companies integrate UC into specific processes where they can see a payback.

Eric: What do you see as the likely patterns of

adoption? Will it be by job type, business process? And what current applications or systems are prerequisites?

Jim: The low-hanging fruit in this market are the groups that need to collaborate. This can be all over the map—an M&A group working on a deal, marketing working on a new promotion, legal working on a contract or a development team working on a project.

Blair: I also see the initial adopters being mobile workers, whether executives, telecommuters or corridor workers—people who need to collaborate with team members, partners, suppliers and customers. UC adoption will start with the people who need it the most, and then spread out through the enterprise once the benefits become more apparent and prices start coming down. The initial processes and applications will most likely be Microsoft Office applications, since Microsoft and partners are already working to UC-enable those applications. Then it will spread to other applications and business processes, such as CRM and ERP. It will also be adopted in certain verticals. Some of the verticals we're seeing starting to implement UC solutions include financial services and insurance, health care, including pharmaceuticals, government and high tech firms.

Marty: This is where I differ somewhat from what Jim and Blair have said. I believe the adoption patterns should be very much by job type and process. In some cases, installing UC for one process will make it available to others in the enterprise, and the employees will begin to innovate their own process improvements in unexpected areas. It's important to watch for that “volunteer” UC innovation in addition to managing the success of the intended processes. One good example of this might well be instant messaging, which could be applied, for example, to speed up collaboration in the product development team, and then the services team finds they can accelerate service responses with IM-based presence as well.

Don: I spend a lot of time in contact center applications, and I see UC as a great way to leverage internal expertise to provide real-time support to agents dealing with customers. Instant availability of experts will substantially improve first call resolution in a variety of businesses. And first call resolution is becoming an increasingly important driver in contact centers.

Eric: You all define UC as integrated communications. What is integrated with what in a UC solution?

Don: We actually define UC as “communications integrated...” rather than “integrated communications.” The difference is subtle, but important. “Integrated” isn't primarily an adjective describing an attribute of the communications. The “integration” refers to linking communications to the business processes. A more complete way to write our definition would be “UC is a range of com-



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munications capabilities that are integrated into how people get work done in a way to optimize underlying business processes.” While various communications capabilities do integrate with each other, that isn’t the most important point.

Jim: As discussed earlier, many elements make up unified communications. The promise of UC is simplicity in connecting and being connected. Therefore, almost every application has some level of integration with other applications. To simply click on a buddy’s name, to make a call, another click to take that call to a video call, another click to share an application and another click to conference in another party requires integration of a wide variety of components. And in some instances, these components will be provided by different vendors. Presence will be integrated with almost everything from devices to applications from the desktop to the carrier. Another important area of integrating UC will be in other business processes. Service oriented architecture will be used to add voice and other unified communication elements to existing and new business processes.

Marty: Let’s focus on the business process. Don mentioned “cycle time.” Take the process of accepting a customer’s order for a new piece of technology, whether a conveyor belt or a new messaging server. The order is entered into the logistics system and the communication events begin. The logistics system could send messages to the suppliers to confirm parts availability; some parts may not be available in time, so the logistics software looks at the SIP presence server to find an available logistics manager, sends the information by messaging or portal and includes a button to “call the supplier.” In this case, the application is integrated with the messaging or portal server and the “call the supplier” button is integrated with the VOIP or SIP telephony or real-time communications server.

And the benefits are obvious. Within seconds or minutes of the exception being known, the supplier is on the line and an adjustment is negotiated. What used to take hours or even days, would take minutes. The customer would be far better served and the enterprise’s revenue would be earned days sooner. Multiply this by thousands of transactions and you’re talking about real money. This type of example occurs all through an enterprise—it’s just a matter of picking one high-priority process and looking for the UC opportunities.

Eric: Who do you think will deliver UC products, and who will be responsible for the design and integration work in UC?

Jim: Different vendors will have different

strategies for delivering product to market. Some vendors will sell their portion of the solution directly to large enterprises and refer the customer to a partner or a supply house for the other components that they need. Others will reuse their existing distribution network, but will have to educate them on how to sell and support UC solutions. This will be one of the biggest challenges for the industry. While vendors are working to make it easy to integrate the various components required in the UC solution, the channel will have to do the heavy lifting of integrating these elements.

Marty: I agree with Jim, and it seems clear that UC will be delivered by informed system integrators. The SI function can be an in-house IT department, an independent SI company or a department of the UC product supplier firm. Consulting firms will act as the strategists, architects and designers in this model, identifying suitable applications, providing advice and validation of the SI work. Of course, the enterprise customer is ultimately responsible for their own business, but they will be

able to call on a growing cadre of knowledgeable, experienced and certified SIs and consultants.

Eric: If you were an enterprise customer, what would you do right now to position yourself for UC?

Jim: The first thing to do is to not do anything, because many

potential dead-end products will not have a migration path to a UC solution. Next, evaluate your current environment. Review those areas that will need to migrate to a UC environment. Plan a strategy for the migration of each of those elements, as well as an overall plan for adopting UC. Look at all the options in both: how to implement a solution and the vendors offering that solution.

Marty: I recommend an enterprise customer immediately create a 3- to 5-year plan that would begin with identification and selection of the top business processes and top employee groups to which to apply UC. This initial selection will indicate which type(s) of UC solutions to include in the plan. Then the enterprise can begin, with the first process and first user groups. The 3- to 5-year plan will also provide an immediate guide to the enterprise’s technology investment decisions. Whether upgrading existing systems, opening new sites or buying a full system replacement, the plan will determine the features, functionality, value and road map requirements. So, in a phrase, create a plan.

Don: While I agree with Jim and Marty, I would encourage user companies to envision the long-term goal. With these sorts of strategic planning efforts, especially ones that involve

**What should enterprises
do now?
Consider creating a 3-5 year
plan for UC**

architecture decisions, I think it's important to look at where the long term opportunities are headed. Is this likely something that will involve all your employees, or be focused on the few critical processes and applications, as my colleagues mentioned? Understanding what the long term potential is may influence the sort of architecture and product decisions that are made in the near term. Ideally, you want to identify stepping stones on the path to that long-term goal. The best way to know if you're headed in the right direction is by envisioning that end state and then picking projects with near-term results that will help get you there.

Eric: You've said that new UC players will have a disruptive impact on the switch and IP-PBX market. If you were a switch vendor, what would you do right now to position yourself for UC?

Blair: First I'd recognize that my competitors are not necessarily the traditional players, but newcomers such as Google, Skype, Yahoo and most importantly, Microsoft. I believe that Microsoft is going to be huge in this market, and many of the switch vendors I've been talking with are pretty much in denial about Microsoft's impact and how it will affect the communications business.

After getting over my denial and resistance, I'd start lining up the right players to partner with, since UC is very much a collaborative endeavor. I'd look at the business process and application vendors that either have significant market share or have applications that are ideal for UC-enabling, and start working to ensure that our products can be tightly integrated. I would focus on vertical applications and areas where I could differentiate my offering from all the others out there. Siemens and Alcatel are setting good examples of focusing on several specific verticals where their UC solutions can provide significant value. Vendors have to go to the business process—they need to find the line of business owners and put UC into that process for them, right there on the desktop and application where they work and spend most of their time.

I'd also be re-evaluating my channel partners, and looking at system integrators and VARs that have experience with business processes and applications. UC is not simply an add-on function to an IP-PBX—it's a whole new way of communicating and doing business, and the way you sell it will be different than what you're used to.

Jim: The first thing is to evaluate the landscape. Get a clear understanding of what the major vendors are doing and where they're headed. Look for vertical market opportunities, and for the brave, look for application opportunities that are in front of the development of the major vendors. Companies that can provide a solution that may be in a major vendor's road map several years out not only have an opportunity to do well on that prod-

uct in the short-term, but can also be a potential acquisition target.

Marty: Switch vendors should overcome their DNA and begin partnering like they've never partnered before. They should quit worrying about building everything into the PBX and focus on the interoperability of their products' communications services for the messaging-based and application-based UC producers.


For example, a switch vendor that allows internal development of a telephony-based SIP/SIMPLE server for IM is wasting money that could better be spent creating, releasing and supporting an interface to a messaging-based IM product. The messaging-based IM product will already have a full feature set and most likely provide global federation with the major IM networks. Similar examples exist for the messaging-based and application-based suppliers, of course.

Don: The switch vendors have been watching their part of the communications value chain disappear over the past decade. The growth of UC and of peer-to-peer telephony will further cut into markets that they have dominated. At the same time, they arguably have an excellent understanding of the nuances of both reliability and of how to make interpersonal communications work. As we all have been discussing, a crucial component of making UC work will be to integrate these components into a cohesive solution. The switch vendors have an opportunity to provide those integration services. Certainly there are significant challenges to making that transition, but I think that it's an option to consider. That approach would work well with Blair's and Marty's partnership suggestions.


Eric: Putting all of this together won't be easy for UC vendors. What do you see as the biggest challenge to the emerging UC market?

Blair: People don't necessarily understand what UC is—there are dueling definitions being tossed around, everything from enhanced unified messaging to enhanced VOIP. Understanding not only what UC does, but how it impacts business processes and productivity is key. Companies need to look at their business operations and determine where UC can be applied, rather than just implementing some of the UC components without having a real strategy.

Jim: There are two major challenges. The first is the channel, as discussed earlier. Someone has to sell, install and support the solutions, and as mentioned, they are complicated to install in the near term. The second big challenge is how to get products from different vendors to work together. Early adopters of Cisco's Call Manager that wanted to continue to use their old Octel voice mail system understand this problem. With UC, it will become even more complicated. As Don mentioned earlier, presence capabilities are key, but present a daunting problem. For example, numbers of vendors provide presence servers and



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There will be embarrassing early failures and FUD thrown around

allow their presence servers to federate with their own product. However, there is no federation between vendors' presence solutions.

Marty: The biggest challenge is the pace of adoption, and the biggest risk is that the market is nothing more than a chaos of pilot projects, with no plans and no metrics. Unless an enterprise creates a plan and can measure the progress and results against a baseline, UC will be seen as just another techno-surge in the IT budget. However, if the customers, with support from their consultants, create plans and demand supplier alignment with those plans, UC could deliver process improvement breakthroughs to rival those of call centers in the early '90s and Web portals in the late '90s. The challenge is planning for, attaining and measuring the results.

Don: I agree with my colleagues. Here are two other challenges. First, I think that there will be concerns about reliability of some of the vendor solutions. My guess is that some of the early implementations will have some embarrassing failures. Second, there could well be a lot of FUD thrown around. That, coupled with the fact that many of the announced solutions will not reach the market for a year or so, will mean that a lot of user companies will decide to sit on their wallets and do nothing until the dust settles. I think that's a mistake. It's important for companies to start understanding how these systems work, just as it's been important to begin working with IP.

Eric: Who are the principal players in UC, and how are they positioning themselves?

Blair: There are several groups of players, all coming from different directions. First, there's the switch vendors who offer IP-PBXs, presence servers and in most cases, UM and collaboration products. We also have the business process and application vendors, led by SAP, Oracle/Siebel, IBM, as well as vertical application providers. IM and presence vendors such as Microsoft, IBM/Lotus, Yahoo, AOL, as well as new entrants Tello and OnState are staking a major claim in the UC market, in addition to messaging vendors such as AVST, Adomo, NEC/Active Voice, Esna, and conferencing/collaboration vendors such as WebEx, Interwise, Sonexis.

We'll also see an important role for device manufacturers, notably RIM/Blackberry, Treo (from Palm), Nokia, Motorola, since their products are adding the unified clients that are necessary, and provide some of the capabilities that UC solutions must support. There are system integrators that are making good initial progress in this area. Finally, there are new contenders such as Google, which is adding voice and calling capabilities to their offerings, and Skype, which already offers telephony and collaboration capabilities that enterprises are taking advantage of.

Jim: It is very early to determine how all the vendors are positioning themselves. Clearly a number of the major vendors are using the UC

name and developing products accordingly. Cisco announced their positioning and naming at VoiceCon in March. Microsoft named their merged division of RTC and Exchange as Unified Communications in January. While they may not be picking up on the UC name, IBM has been marching down a parallel path with work being done with their Sametime product. Oracle and BEA have been working in the carrier space and are just now starting to focus on the enterprise space. Over the next several months, many vendors will be working on their UC strategy. We may see some of their first positioning statements at VoiceCon Fall. It is more likely to get a clearer picture as they announce over the fall and into winter, with potential announcements coming at VoiceCon Spring 2007.

Eric: How long will it take for UC to be adopted widely? If it's going to take 5 to 7 years for wide adoption, why should I care about it now?

Jim: As discussed above, UC deployment has already started rolling out not as it will be in its final form, but as a number of the foundation pieces. Look for the next 24 to 36 months to be a time when major enterprises develop a strategy to start evaluation and begin deployment. Some large enterprises may have the UC deployment completed within three years, but it's likely to take many five to seven years before their enterprises are fully UC enabled.

Marty: This is a critical question and depends mostly on whether the enterprise customers take UC seriously, update their strategic plans, launch strategic actions and measure the results. Just a few really viable cases can lead to the "tipping point" that will ignite adoption. Vendor marketing campaigns can come and go, but proven results will tip the market.

That said, UC is already being adopted in the market, by virtue of its influence on the day-by-day decisions being made in telephony, messaging and applications. Whenever UC is the justification for a product or supplier choice, it adds to the momentum.

Increased product functionality will be delivered in 2007, enabling a jump in the number of viable pilots. The yield from those pilots and another round of product improvements will enable noticeable, revenue-producing adoption in 2008 and, by 2011, five years from now, we could easily see 50 percent of communication systems spending being specifically for Unified Communications, i.e., communications that is specifically integrated with business processes. Also, unlike the VOIP market that is primarily substituting VOIP for TDM telephony without growing the overall market, it is likely that the ability of UC to displace labor and other intermediate costs and expenses will justify an increase in the overall level of spending in the communications industry, for the first time in over two decades.

Blair: It's important to start evaluating your

business operations and determine which key processes can be optimized with unified communications capabilities. You may not care right now, but your competitors certainly do □

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Companies Mentioned In This Article

AOL (www.aol.com)
Avaya (www.avaya.com)
AVST (www.avst.com)
BEA (www.bea.com)
Cisco (www.cisco.com)
Esna (www.esna.com)
Google (www.google.com)
IBM (www.ibm.com)
Interwise (www.interwise.com)
Microsoft (www.microsoft.com)
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Nokia (www.nokia.com)
Nortel (www.nortel.com)
OnState (www.on-state.com)
Oracle (www.oracle.com)
Palm (www.palm.com)
Research in Motion (www.rim.com)
SAP (www.sap.com)
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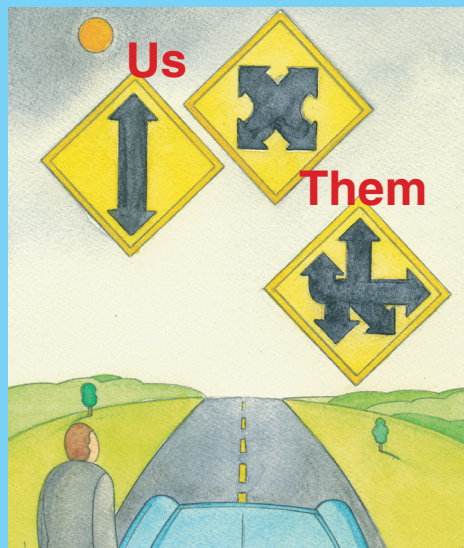
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