



INTELLIGENT COMMUNICATIONS

Avaya Integrated Roadmap

19 January 2010

Virtual Event Keynote Presentation

Agenda

- ▶ Opening Remarks: Todd A. Abbott, SVP Global Sales & Marketing & President, Field Operations
- ▶ State of Avaya: Kevin J. Kennedy, Chief Executive Officer, Avaya
- ▶ Product Vision and Portfolio Strategy: Dr. Alan Baratz, SVP Global Communication Solutions
- ▶ Engaging Our Customers: Todd A. Abbott, SVP Global Sales & Marketing & President, Field Operations
- ▶ Analyst Perspective: Henry Dewing, Analyst, Forrester
- ▶ Closing Comments: Todd A. Abbott, SVP Global Sales & Marketing & President, Field Operations

State of Avaya

Kevin J. Kennedy, Chief Executive Officer, Avaya

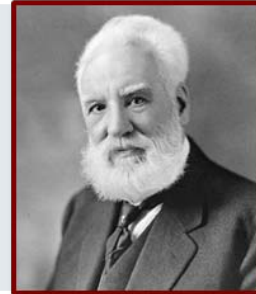
January 2010

Our Shared History

1876 Alexander Graham Bell invented the telephone.

1877 **Bell Telephone Company** formed

1885 The **American Telephone and Telegraph Company** is incorporated as a wholly-owned subsidiary of **American Bell**



1925 **Bell Telephone Laboratories Inc.** is established as AT&T's R&D subsidiary



1996 AT&T spins off **Lucent Technologies** including **Western Electric**

2000 Lucent Technologies spins off **Avaya**

1914 **Northern Electric Company** owned by **AT&T** Company and **Bell Canada**

1956 AT&T sells its stake in Northern Electric to Bell Canada as a result of US anti-trust ruling



2009 **Avaya** acquires **Nortel Enterprise Solutions**

1895 Original company founded as **Northern Electric and Manufacturing** supplying telecommunications equipment for Canada's fledgling telephone system

1976 The company's name was changed to **Northern Telecom Limited**, and the company focused on digital technology

1998 The company's name was changed to **Nortel Networks** with the acquisition of Bay Networks

A History of Transformation and Innovation

2000

Lucent Technology's enterprise communications division is spun off to become

AVAYA

2007

Avaya is privatized by

SILVERLAKE
TPG

October 2009

Introduction of new Business Unit structure and Go to Market strategy

2004

Avaya acquires

TENOVIS
Business Communications.

March 2009

Avaya introduces

AVAYA
aura[™]

December 2009

Avaya acquires

NORTEL

The Transformation of Avaya

- ▶ Implemented Simplified Organization Structure
- ▶ Significant Investment in Process and Systems Upgrades
- ▶ New Operating Model to Drive Financial Performance
- ▶ Standardized Global Services Delivery
- ▶ High Touch – Channel Centric Go-To-Market Strategy
- ▶ Implement Global Channel Program: Avaya Connect



AVAYA

Avaya + Nortel Enterprise Solutions

A compelling combination

- ▶ Scale for Seamless Global Experience
- ▶ ‘Fit for Purpose’ Innovation
- ▶ Holistic Services Capabilities
- ▶ Expanded Channel Ecosystem
- ▶ Strong Financial Model
- ▶ Unmatched Experience Migrating Enterprise Customers to New Technologies

AVAYA

NORTEL

Avaya + Nortel Enterprise Solutions

Targeted performance levels

**Annual
Revenue**

**EBITDA /
Revenue**

**Operating
Margin**

Employees

**Leverage
(Debt /
EBITDA)**

**\$5.5+
Billion**

**22%
to
28%**

**18%
to
22%**

21,000

**5.9x
to
3.4x**

Avaya Going Forward

- ▶ Financial Model
- ▶ Innovation Pipeline Strong
- ▶ Strong Channel Ecosystem
- ▶ Ready to Set the Pace in the Industry
- ▶ Solution Innovation and Responsiveness to Our Customers



INTELLIGENT COMMUNICATIONS

Product Vision & Portfolio Strategy

Dr. Alan Baratz
Senior Vice President
Global Communications Solutions

Avaya Vision

PLUG & PLAY COMMUNICATIONS

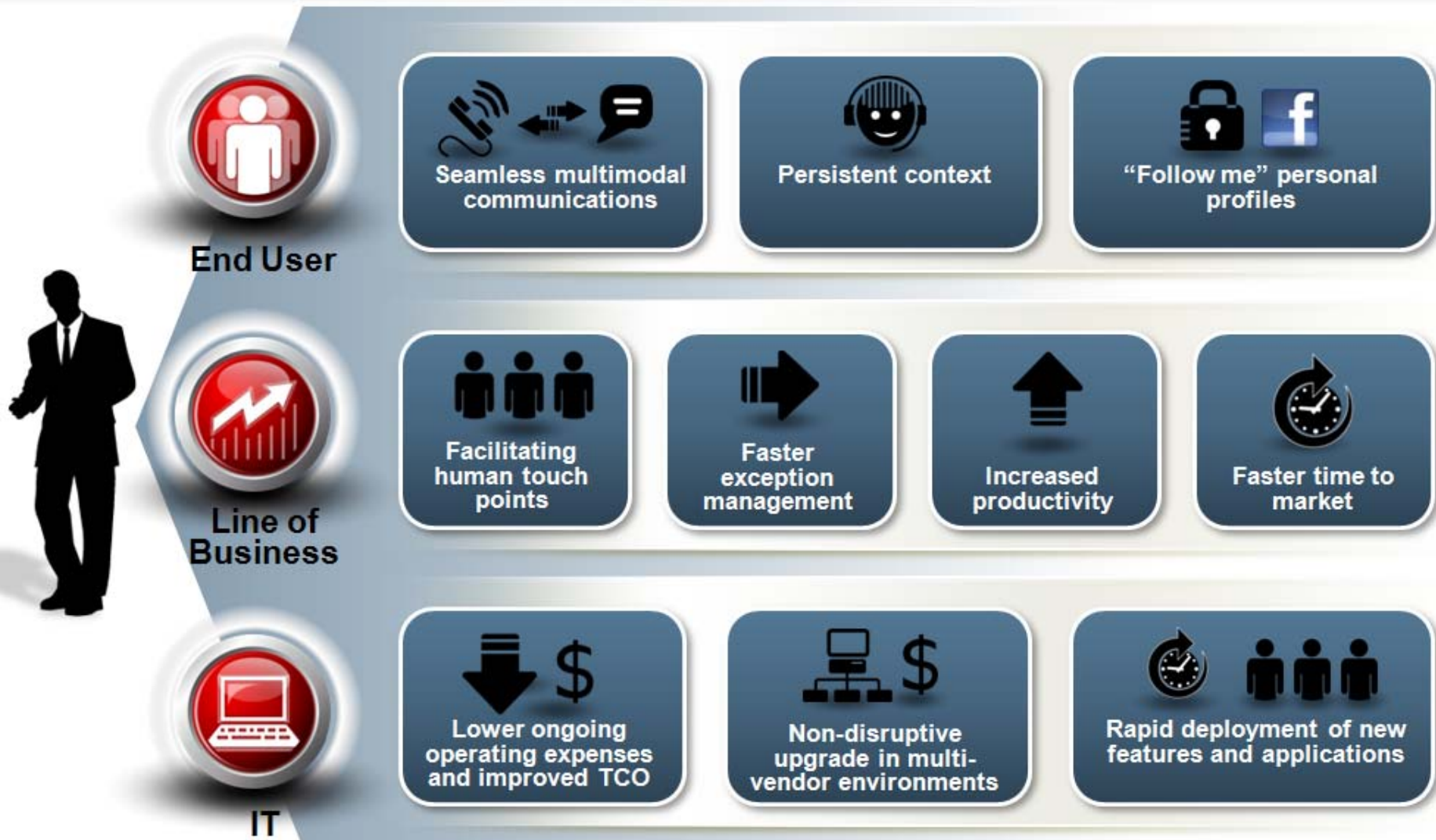


Powered by SIP:
Open & Standardized

Delivering Communications
Enabled Business Systems

Enabling Effective &
Contextual Collaboration

Delivering Value Across the Enterprise...

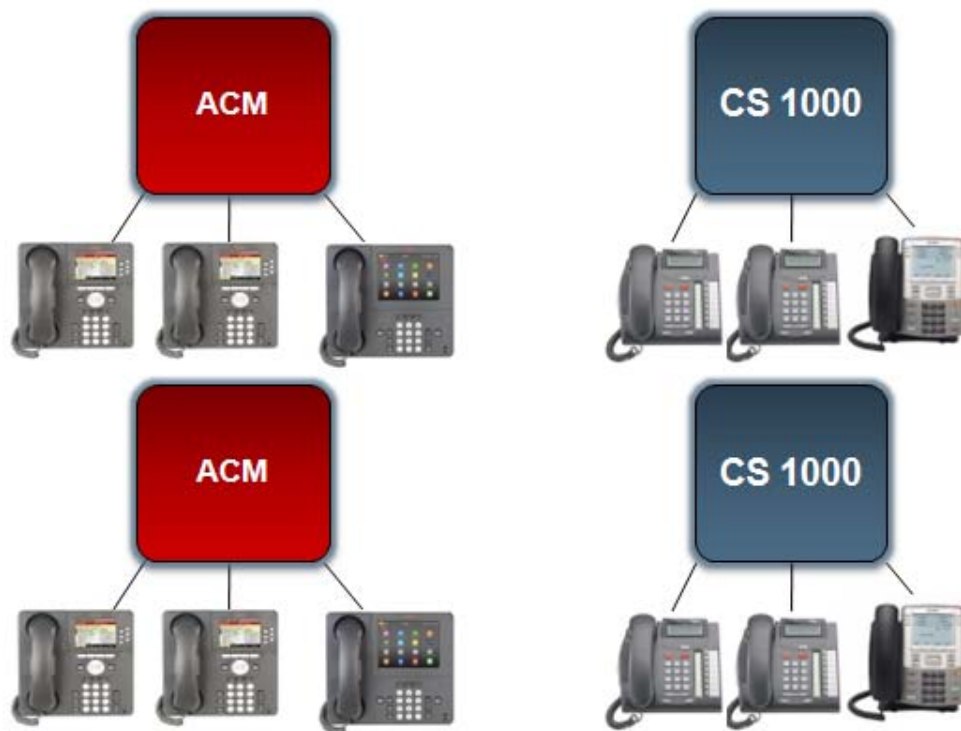


Unified Communications Strategy and Roadmap



Evolutionary Migration

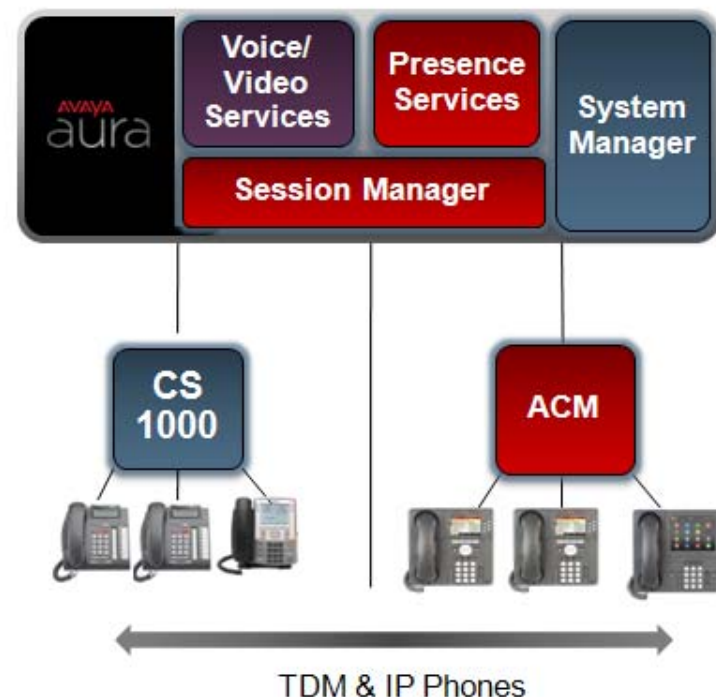
Add New Systems/ Lines



Tactical

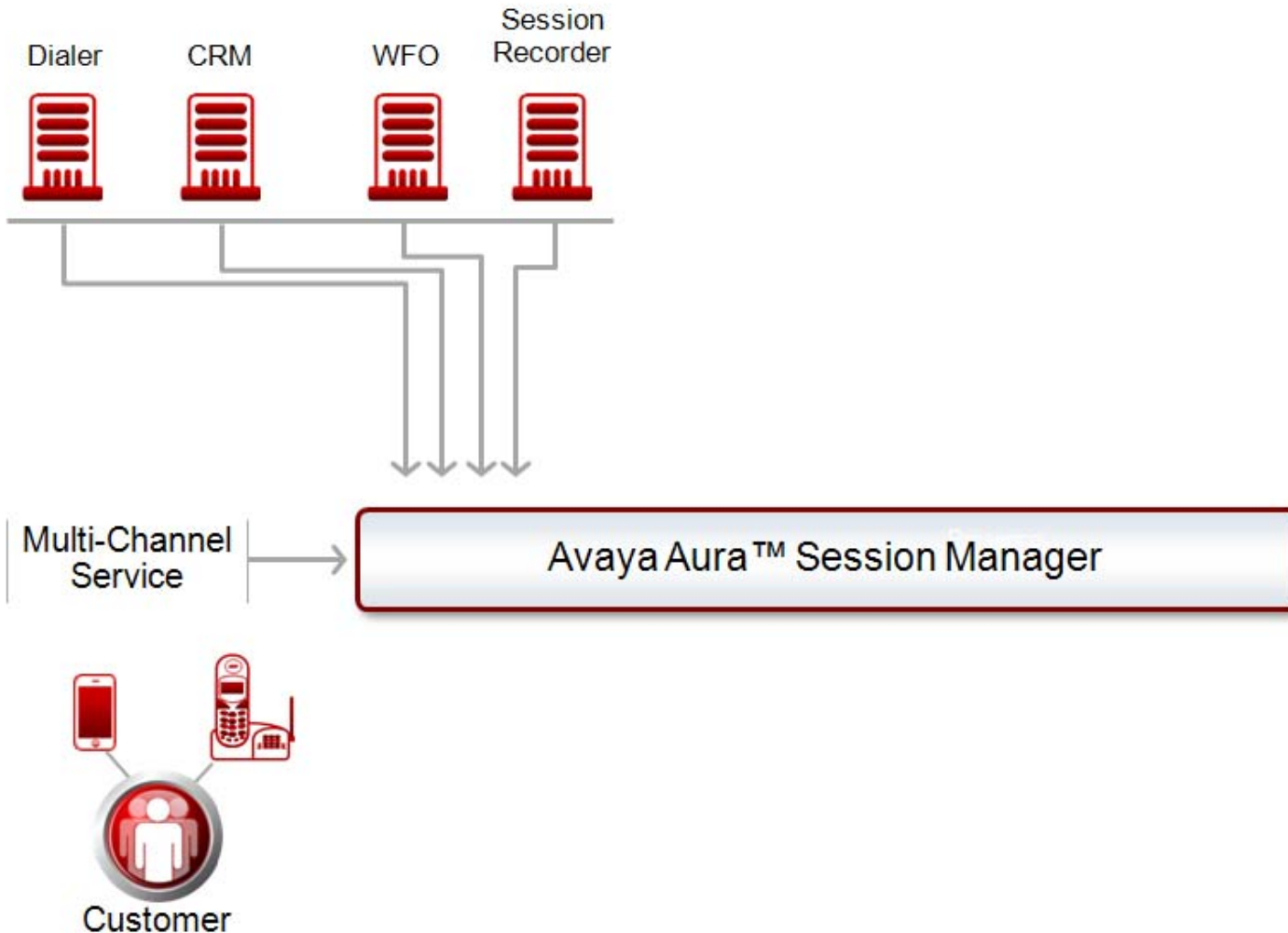
Tactical

Upgrade to Avaya Aura™

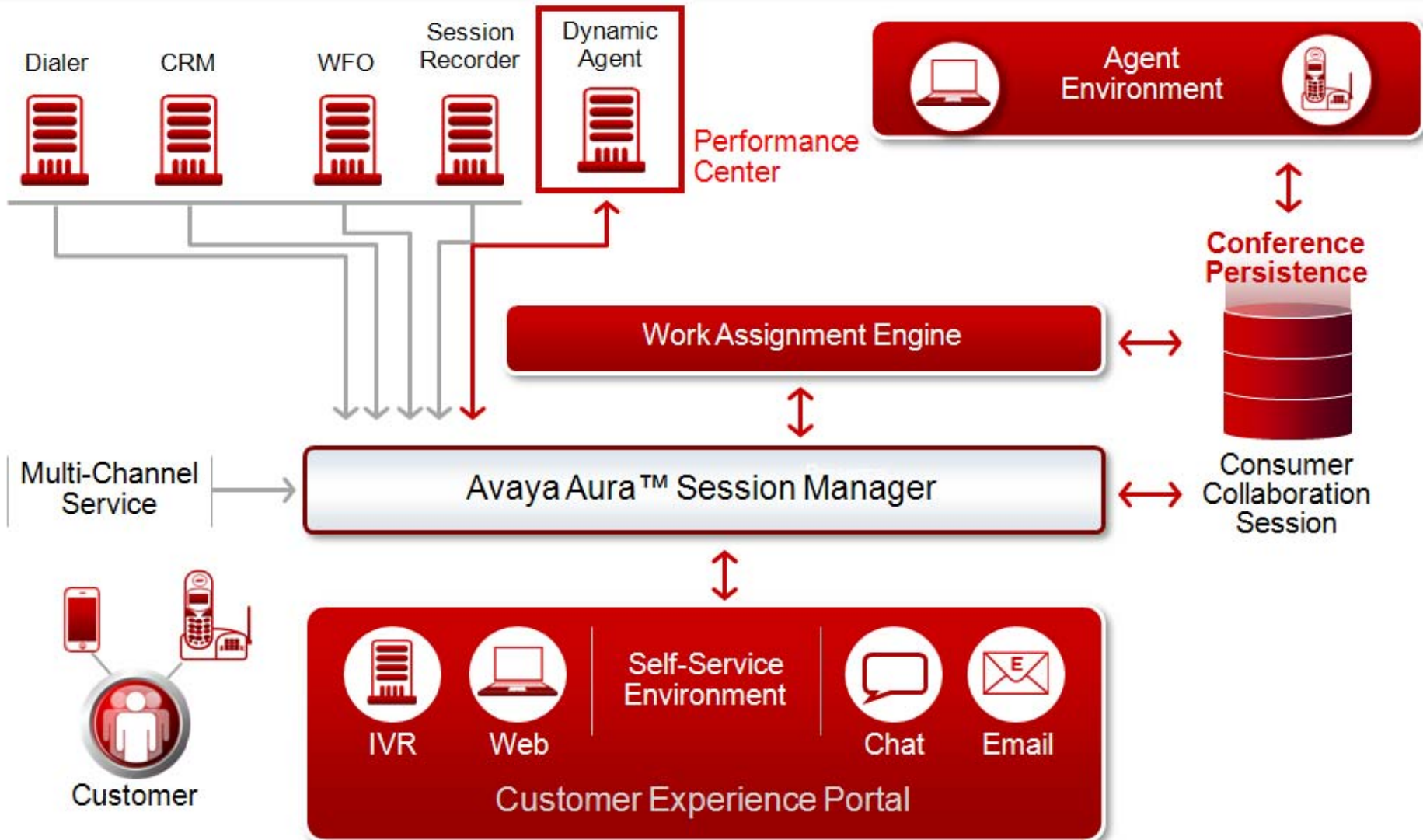


Strategic

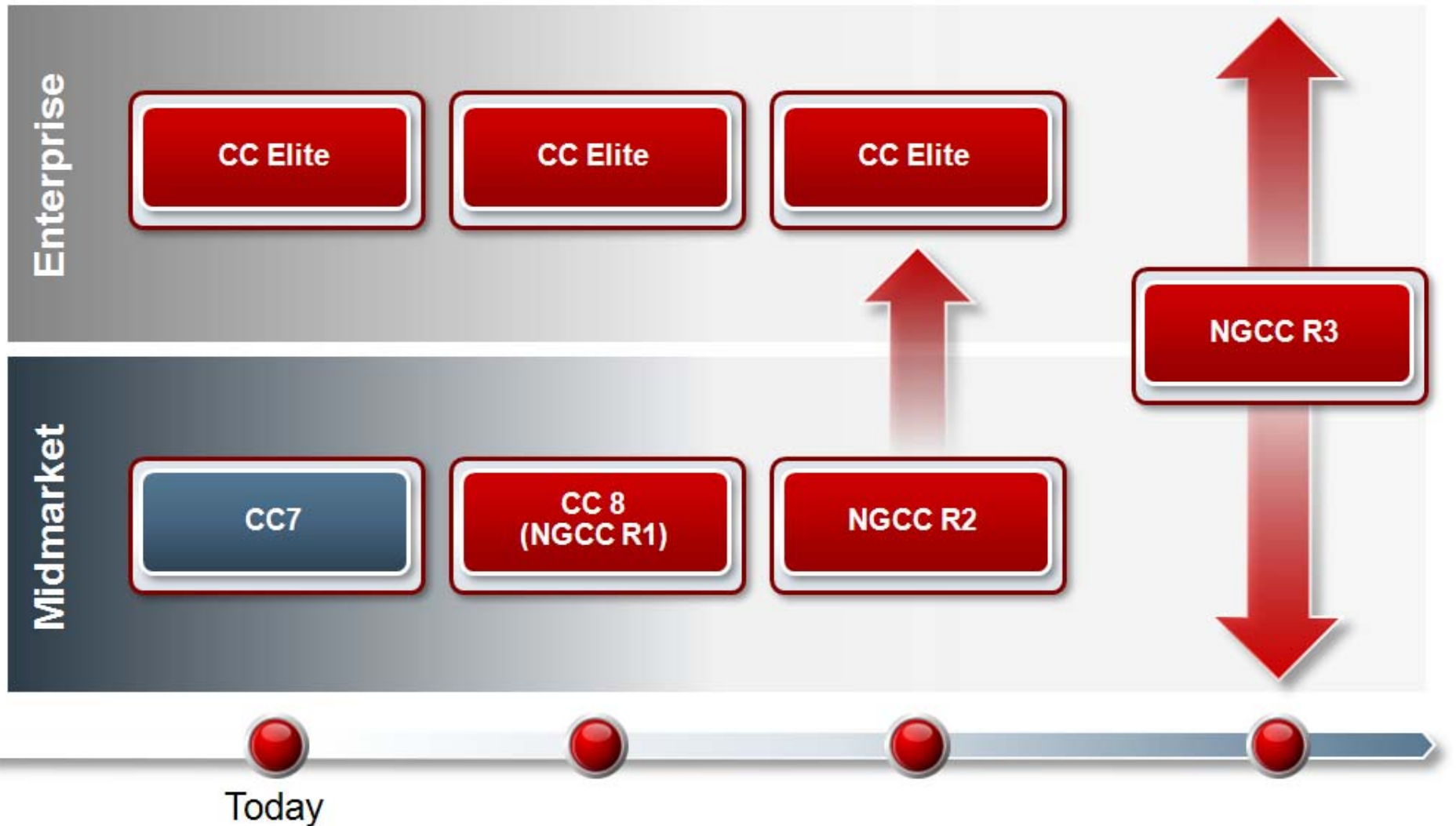
Contact Center Strategy



Contact Center Strategy



Contact Center Roadmap



SME Strategy and Roadmap

TDM/Key Systems

Avaya PARTNER®

Avaya Integral 5

Avaya Norstar

- ▶ Ongoing support & migration path
- ▶ Evolution to common features & management console

Hybrid IP PBX

Avaya IP Office

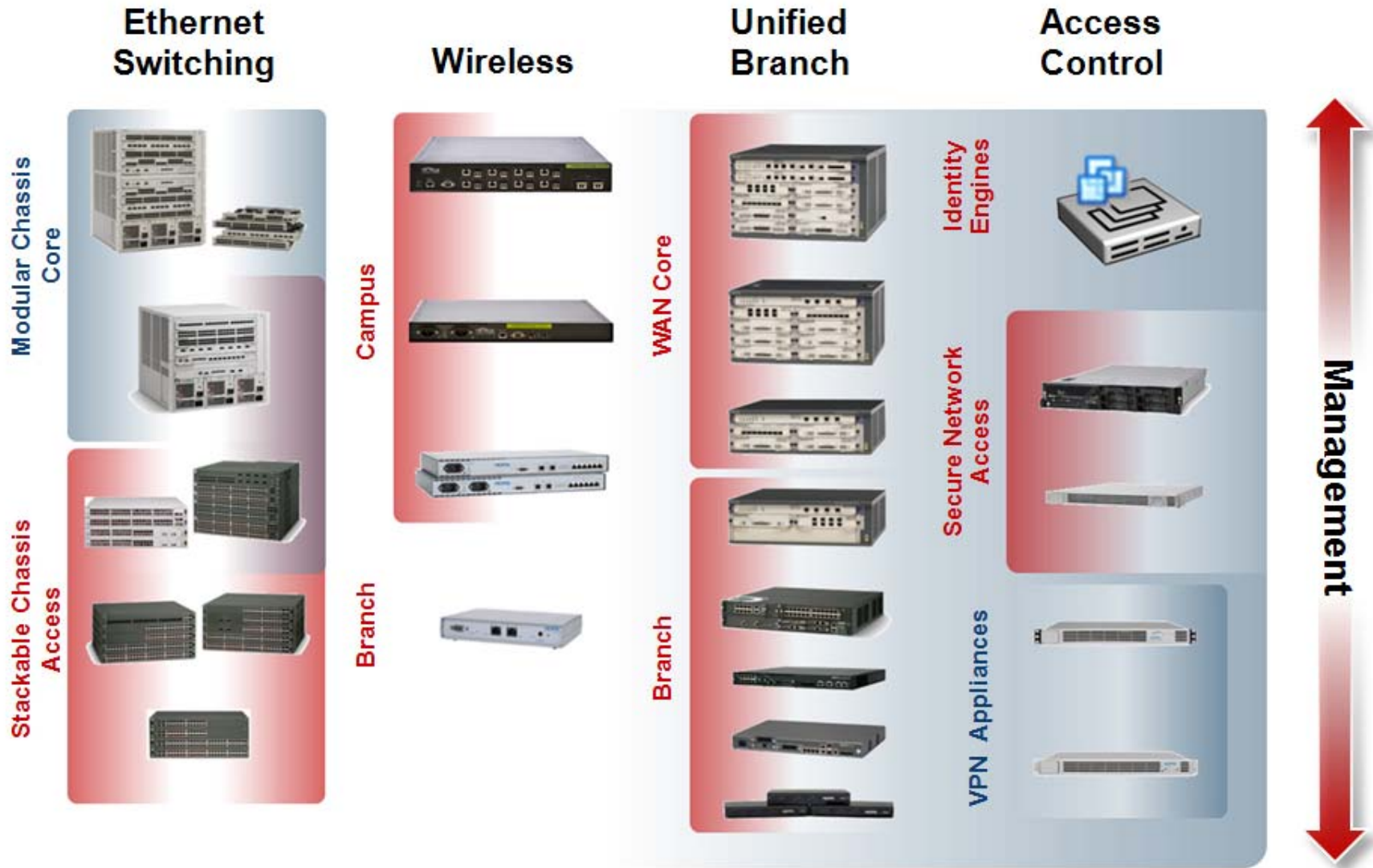
Avaya BCM

SIP Software

Avaya SCS

- ▶ SIP – based portfolio extension

Data Portfolio



Avaya's Unique Value Proposition

Always-On

Intelligent components & designs, powerful networking that can be fully trusted to deliver

- ▶ Up to 7X better resiliency
- ▶ 100% Call Completion even during failure scenarios
- ▶ In-Service Maintenance

Efficient

Improving the effectiveness of a business by creating a simpler & more cost effective network

- ▶ Up to 50% better TCO
- ▶ Up to 40% more energy-efficient
- ▶ Pioneered best-practice design, saving 1/3 equipment

Scalable

Network data rates that will grow with your business needs and not drive unnecessary upgrades

- ▶ Up to 20X better performance
- ▶ Meeting Business Growth – scale from GIG to 100G
- ▶ Virtualized and integrated to meet business growth

The New Avaya

PLUG & PLAY COMMUNICATIONS



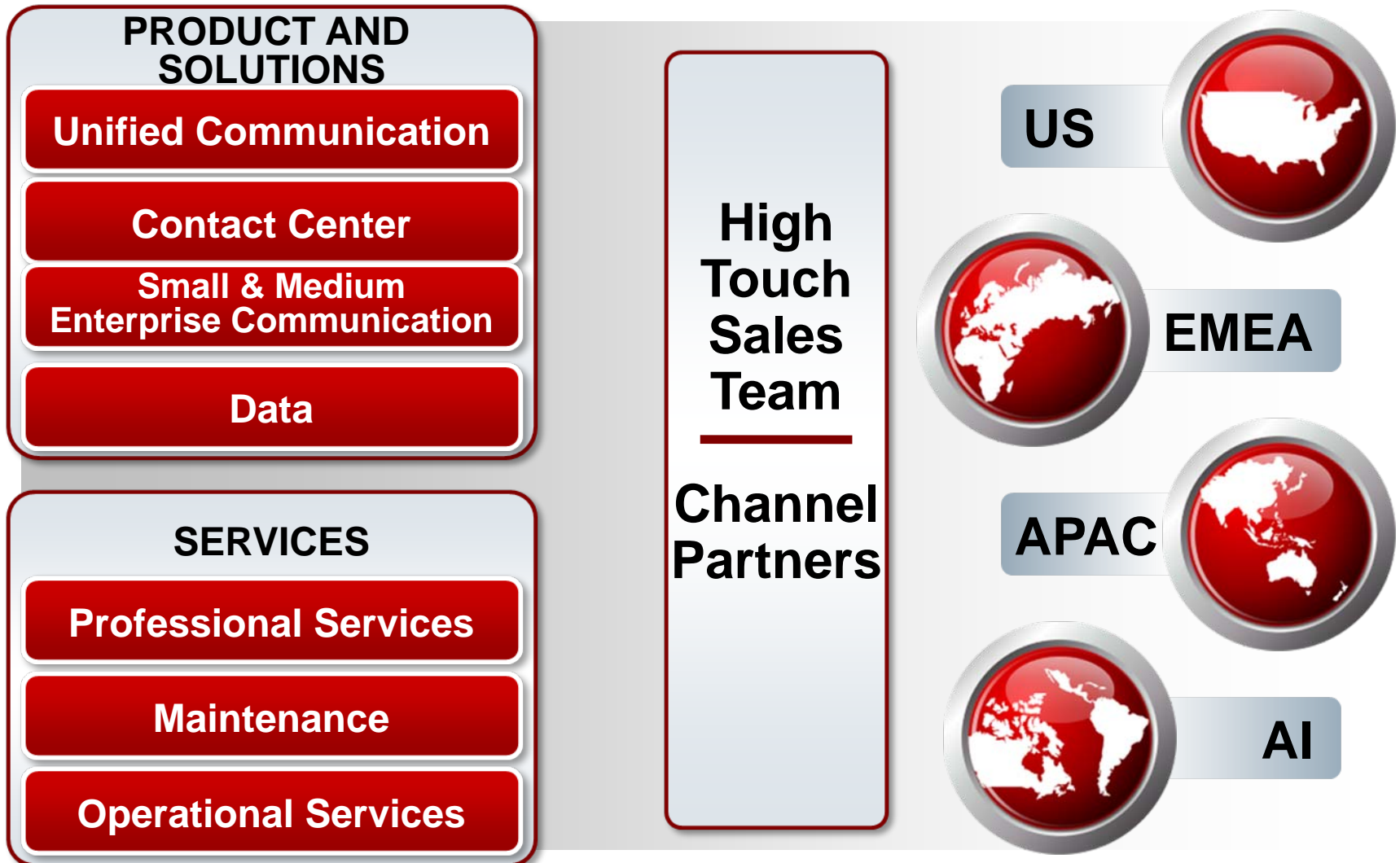
- ▶ Delivering new business value with Avaya Aura™
- ▶ Evolutionary path For every customer
- ▶ Communications enabled business systems
- ▶ Lower TCO
- ▶ Expanded partnerships around the world
- ▶ Expanded services

Engaging Our Customers

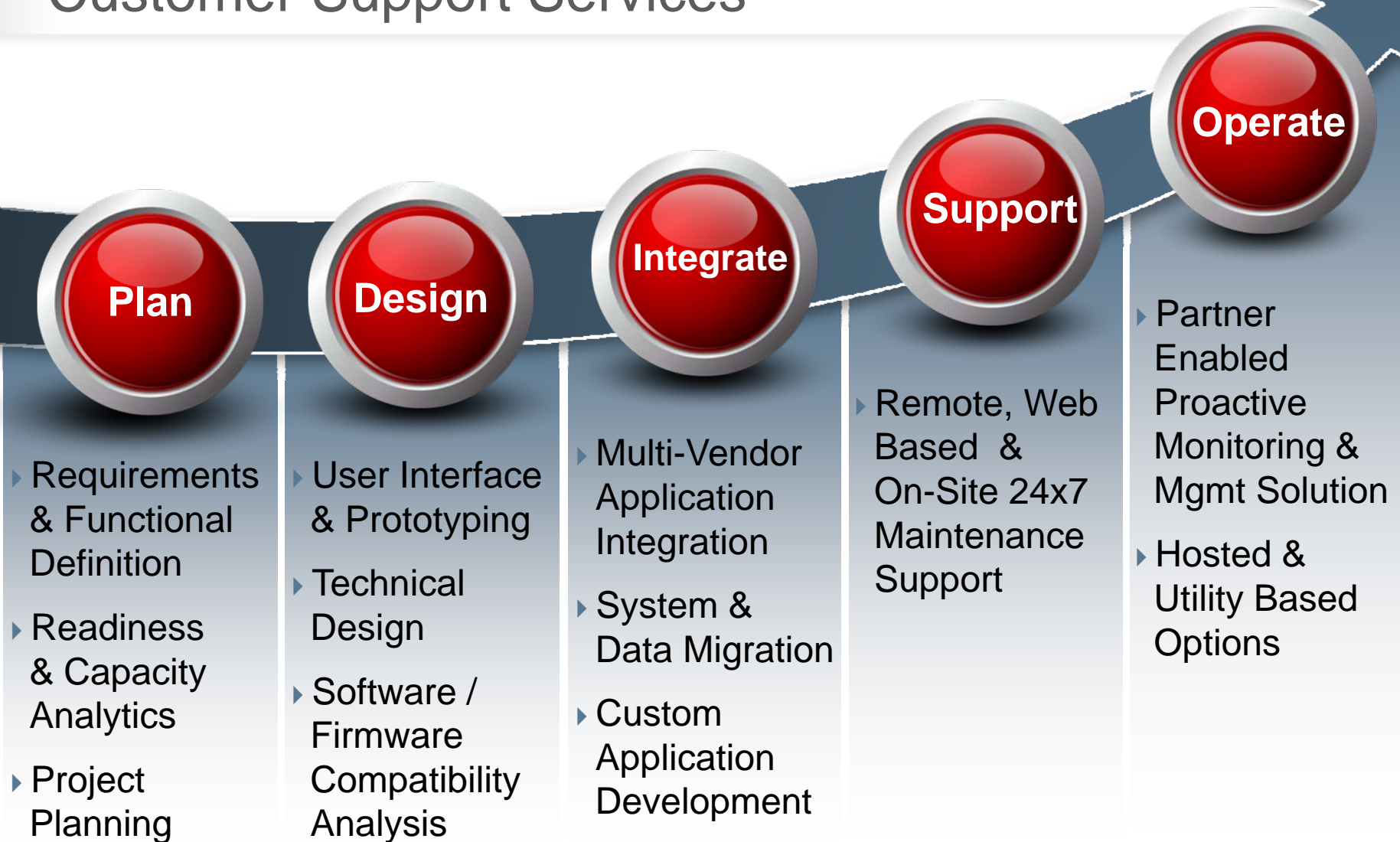
Todd A. Abbott, SVP Global Sales & Marketing
& President, Field Operations

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Avaya Go-To-Market Strategy



Customer Support Services



Overview of Avaya's Services

Avaya Professional Services

- ▶ More Than 1000 Consultants Globally
- ▶ Strategic Communications Consulting
- ▶ Program and Project Management
- ▶ Industry Application and Solution Development

Global Support Services

- ▶ 24 x 7 Software and Hardware Maintenance Support
- ▶ Global "Follow the Sun" Support Capability – 32 Centers in 55 Countries
- ▶ Extensive Web Support
- ▶ Award Winning Support Infrastructure

Avaya Operations Services

- ▶ Proactive Fault Management and Root Cause Analysis
- ▶ Configuration and Performance Management
- ▶ Change Management (MACs)
- ▶ Software Release Management

Leveraging Avaya's Voice Experience and Global Scale to Enable Customers to Scale Their Infrastructures Reliably

Avaya Professional Services

Avaya Professional Services

- ▶ More Than 1000 Consultants Globally
- ▶ Strategic Communications Consulting
- ▶ Program and Project Management
- ▶ Industry Application and Solution Development

Strategy

Professional Services:

- ▶ Focus on Higher Value-add Consultative Services
- ▶ Vertical Expertise in Healthcare, Government, Hospitality, Retail and Financial Services
- ▶ Enabled Direct or through Partners

Implementation Business:

- ▶ Enable Partners through Certification

**Focus on Avaya's Expertise in Advanced Solution
and Vertical Solution Deployments**

Global Support Services: Maintenance

Global Support Services

- ▶ Award Winning Support Infrastructure
- ▶ 24 X 7 Software and Hardware Maintenance Support
- ▶ Global “Follow the Sun” Support Capability -- 32 Centers in 55 Countries
- ▶ Extensive Web Support for Self Service

Strategy

- ▶ Move to Industry Standard Support Model – Agreements Required for Entitlement of Software Support
- ▶ Invest for Increased Remote and Customer / Partner Self Service Enablement
- ▶ Deliver through Multiple Partner Enabled Offerings
 - Wholesale and joint service delivery models to enable Partner value add support offerings
 - Resale of Avaya direct maintenance support

Leverage Avaya’s Inherent Capability as Developer of Software, with Local Capabilities of Business Partners

Avaya Operations Services: Managed Service

Avaya Operations Services

- ▶ Proactive fault management and root cause analysis
- ▶ Configuration and performance management
- ▶ Change management (MACs)
- ▶ Software release management

Strategy

Partner Enabled Managed Service:

- ▶ Toolsets to Enable Partners to Provide Managed Service of Avaya Infrastructures
- ▶ Highly Flexible Offers to Support Various Partner Business Models ... From Level 4 SW Support Through Level 1 Call Center Support
- ▶ OEM or White Label Offers Enable Partners to Brand and Re-sell

**Enable Partners Who Are Best Positioned to Offer
Comprehensive Voice / Data Managed Service**

Avaya DevConnect

- ▶ Network of Leading Technology Companies That Build Innovative **Third-party Applications** That Extend the Value of Avaya Solutions and Services
- ▶ **Broad Membership** of Companies Including ISVs, IHVs, SIs, SPs and Customer End-User Developers
- ▶ DevConnect Provides **Access** to SDKs and APIs, Developer Support, Testing and Co-Marketing Benefits for Technology Partners

*Nortel Enterprise Developer Program and ACE CEBS Developer Community
Get Integrated into Avaya DevConnect Program*



Analyst Perspective

Henry Dewing, Forrester

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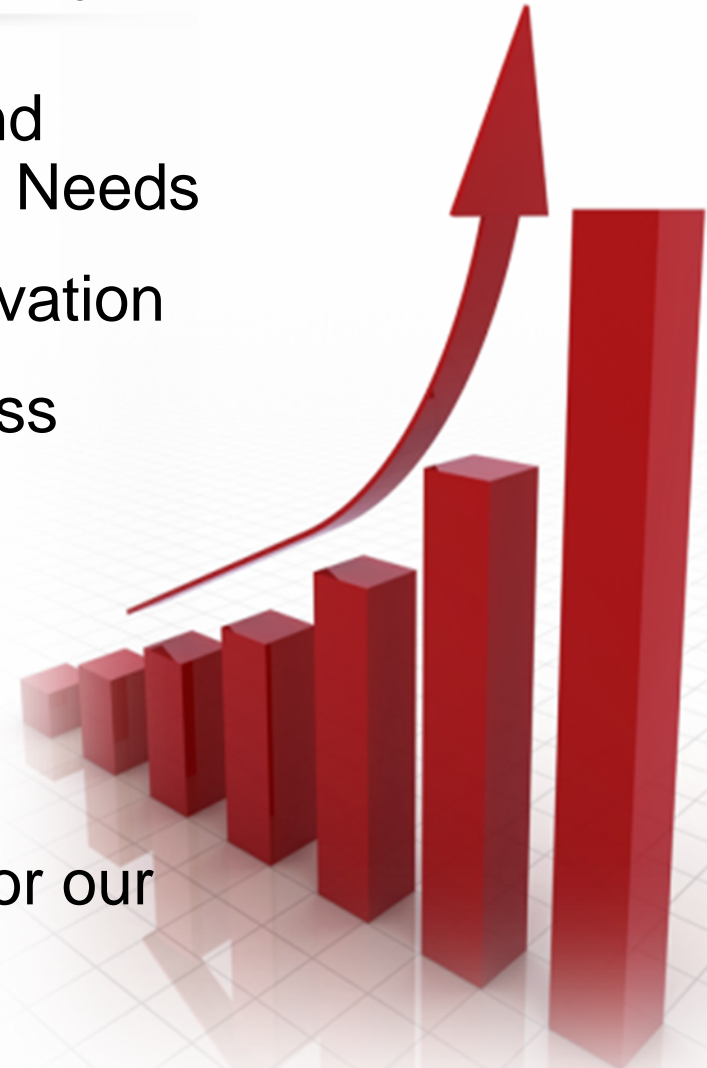
Closing Comments

Todd A. Abbott, SVP Global Sales & Marketing
& President, Field Operations

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What You Can Expect from Avaya

- ▶ Leading Portfolio of Products and Services to Meet Your Business Needs
- ▶ Unprecedented Pipeline of Innovation
- ▶ Focus on Ease of Doing Business
- ▶ Global Channel Ecosystem to Enhance Avaya Coverage and Support of Customers
- ▶ Deliver on Our Commitments
- ▶ A Pointed Focus on Executing for our Customers!



THANK YOU!