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OSS Newswatch

by Alana Grelyak

This month's OSS Newswatch shows a series of mergers and acquisitions, as well as a few new products and some newly created positions. Here's your OSS Newswatch for April, 2007.

JacobsRimell has announced the availability of JR QuickStart Business, a "service fulfillment and management solution designed to support communications service providers' rapid rollout of IP-based solutions to global businesses." "With the business VoIP market expected to grow to upwards of \$15 billion by 2012, it is critical that operators develop VoIP offerings that enable them to earn revenue now," said David Jacobs, CTO of JacobsRimell. "In order for operators to capture a share of this lucrative market quickly, their product offerings, ease of adoption and initial customer experience must stand out among a packed field of competitors... Implementing an appropriate service fulfillment solution is a critical factor in the time to revenue stakes, and JR QuickStart business VoIP is specifically architected so that operators can start to generate revenue from new customers almost immediately."

Microsoft Corp. is rumored to be in talks with Tellme, a California-based company that develops web-based speech recognition technology. Tellme has created several software applications that allow users to access internet information over the telephone, and it can provide automated data and directory assistance technology to business. Tellme has the potential to sell for as much as \$800 million and may help Microsoft in its competition against Google.

Canadian cell phone subscribers are now set to keep their cell phone numbers when switching services. A regulatory decision went into effect on March 14 that will allow cell phone users to change carriers at will in order to take full advantage of the best deals on the market, but will wireless churn rates spike as this begins to happen? Most industry observers feel that such a spike is unlikely as customers will still need to deal with the expenses and headaches of the switching, including contract fees and new handset purchases.

Vonage Holdings Corp. has lost its VoIP patent case to Verizon, which has caused its stock to reach an all-time new low. A federal jury rules that Vonage has infringed on three VoIP patents owned by Verizon. Vonage has been ordered to pay \$58 million

in damages plus 5.5% royalties on all future sales. Shares in Vonage have fallen to a low of \$4.17 in March, down from \$17 in May of 2006.

AT&T has appointed their first ever President of Global Operations. The position was created in an attempt to accelerate the growth of its worldwide IP service portfolio. The position will be filled by Paulino do Rego Barros Jr., former president of BellSouth's Latin American division before the company was acquired in December by AT&T.

Also in AT&T news, the US-based company has announced that it will invest more than \$750 million on Global IP network and solutions in this year alone. The company spent about half of that sum last year and seems to be aiming this year to make sure that the IP needs of its customers are taken care of.

Vancouver-based Sierra Wireless Inc. has purchased AirLink Communications for the sum of \$27 million in a cash and stock deal. Sierra will pay a cash sum of \$10 million and then issue 1.3 million of its own shares to AirLink owners. AirLink, which last year generated an operating profit of \$3.9 million, is expected to increase Sierra's revenue and operating profits.

The Wall Street Journal has substantiated reports that Palm Inc. is up for sale. Due to Palm's \$500 million cash value and excellent brand name, chances are it will end up being a very interesting acquisition target. Sources say that the pressure put on Palm's core market by the soon to come Apple iPhone may be a contributing factor to the company's possible decision to become part of a larger company.

911 Enable, a division of Connexon Telecom Inc. has recently been named to the 2007 "Pulver 100," the IP Communications industry's listing of privately-held growth companies that represent the future of the IP-voice and video communications ecosystem. 911 Enable's addition to the list is due to its "cutting edge 911 solutions and its commitment to technological development in 911."

Skype and Google are reportedly eroding telecoms revenue, a new report of Analysys has concluded. Reasons for the purported erosion include Skype's (and similar services) robbing the traditional telephony market of as much as \$18.2 billion in the year 2011.

Cisco, in its effort to increase its share of customers, has made 25 acquisitions in the last twenty seven month, the latest of which is an agreement to acquire WebEx, an on demand collaboration provider, although sources are split on whether it was sold for \$2.9 or for \$3.2 billion. WebEx itself did \$380 million in revenue last year.



MACH, Portfolio Company of Warburg Pincus and global clearing and settlement partner for mobile-based transactions, has an agreement to acquire CB Holdings, Inc, the parent company of Cibernet, which was founded in 1988. The combined companies expect to process more than 25 billions messages, billing records, and content downloads each year.

Vitria Technology, Inc., a provider of business process integration solutions, has recently launched Business Accelerator, "the industry's first open, agnostic enterprise-class integration suite built from the ground up for Service-Oriented Architecture (SOA) and Event-Driven Architecture (EDA)," the release stated. It builds on and complements the legacy and B2B integration capabilities of Vitria's BusinessWare® software, and is available immediately. Vitria is also announcing the release of Resolution Accelerator™ 3.0, which "provides more capability for SOA environments, enables faster implementation, and increases user productivity." It will be released in early April.

Tangoe, Inc. and TRAQ Wirless, Inc. have completed a merger. The new company will be operating under the name Tangoe, Inc. and will provide technology-based software and service solutions that "enable global organizations to procure, manage, and control their voice, data, and wireless communications resources."

Syndesis, a leader in OSS solutions, has introduced Syndesis® IPTV Express™, an IPTV service fulfillment solution that manages, using a single, unified platform, "both IPTV service content and connectivity across telecommunications networks."

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