RADVISION Europe, Middle East & Africa (EMEA) General Manager Interview – December 2007

Philippe Besseyre des Horts, General Manager of RADVISION's European, Middle East & Africa (EMEA) operations tells us how RADVISION, as the only independent seller of VC infrastructure equipment, is doing well with European telecom carriers, in particular with 3G gateways where RADVISION has an 80% market share.

Editor: You come from a Telecom background. What proportion of RADVISION's business in Europe comes directly from the European telecom carriers and is it high enough?

Philippe: We are continuing to serve Enterprises through our Channels and OEM Partners but the Carriers, and more generally, all Service Providers are not visited enough; I say this, even if we can proudly name at least 50 carriers as Customers, mainly for our 3G Gateway where we dominate the EMEA market with a market share in excess of 80%. We are on the way to launch an EMEA initiative dedicated to Service Providers to introduce Desktop Collaborative Videoconferencing and enhance the value of their infrastructures.

Editor: How far have the major European carriers gone in creating a new type of network based on IP and offering broadband connections to businesses and consumers? How much further will they go in the next five years? Will they embrace IMS?

Philippe: RADVISION is "IMS Ready" and our Technology Business Unit is currently selling many building bricks of IMS technologies. All European Service Providers are looking for new creative services to "fill" the pipes of their Broadband deployments. Desktop Collaboration is a really good solution to create value on the Services Providers infrastructure. From user Companies' perspectives, it is a way to democratise Video for all users in an organisation, with limited deployment costs, giving the huge benefits of time savings, travel costs savings and fits with the current "Save the Planet" wind.

Editor: Have these telecom operators really embraced the potential of video as a growing source of revenues when the cost of voice calls is trending toward zero?

Philippe: At this point, we can see several large Telcos, Fixed and Mobile or both, having re-launched initiatives for various Video activities such as Desktop conferencing, Telepresence, Video Service Bureau but these initiatives are still limited in volumes and at experimental stages. The newcomers, and especially the Application Services Providers are more aggressive and innovative in this new arena of Video communications by creating new services, fixed and mobile.

Editor: What has RADVISION done in the past to educate this market and what are you planning for the future?

Philippe: RADVISION has been in this market for a long time and are very well known and respected by all the Market actors. We are currently launching a set of initiatives for Collaboration with players such as IBM, Hewlett Packard and Alcatel Lucent to address the growing requirements of large Banks and Travel companies. We are also running Breakfast meetings with our Channels Distributors and Resellers across EMEA to display our new Scopia 5.5 release with the High Definition Continuous Presence benefits, along with the Desktop Collaboration tools. As I stated, we are currently designing a new offer for Services Providers in a "Win-Win" approach to enhance their revenues from their infrastructures.

Editor: RADVISION has one of the best scaleable MCUs in the SCOPIA V5.5 platform and one capable of handling High Definition videoconferencing. Have Europeans appreciated this clever technology and how do you see the future for this product in Europe?

Philippe: It is clear that compared to competition the SCOPIA 100 series is by all means the most scalable solution but also and mainly the cheapest price in the market, starting with the new 48 and 72 ports bundles which are about half price of competitors for a true High Definition CP solution. Also RADVISION provides a technology which is able to give a lot by adding Video Streaming capabilities for non interactive users and adding huge audio-only capabilities.

Editor: Do Europeans comprehend the value of having a vendor like RADVISION that offers a complete set of standards-based video networking infrastructure, a videoconferencing endpoint for PCs and developer toolkits for IMS, voice, video, data and wireless communications?

Philippe: The overall trend of this Market is about concentration between endpoints manufacturers and infrastructure providers. We, at RADVISION, believe that endpoints and infrastructure are two different businesses and we are the only infrastructure vendor remaining independent. We are then constrained to work closely to all endpoints manufacturers, what we do well, and also to be creative and innovative on the new emerging markets of PC-based video collaboration and mobility.
It takes time for the Market to understand a new concept like Video Collaboration from Desktop and we are currently gaining a lot of interest from many organisations of all sizes with about 20 units sold since the launch of the offer during summer 2007.

Editor: Europe is more advanced than North America in introducing 3G mobile phones. Has RADVISION found this to be a good market and will it grow faster from now on?

Philippe: Virtually there is no 3G in the North American market and RADVISION EMEA is clearly the leader in 3G gateways with more than 50 Service Providers served through Partners like HP, Alcatel Lucent or Aethra. We can see several important deployments all over the places with several platforms now reaching hundreds of ports and with a first platform in excess of 1,000 ports. We can foresee the very first true Business applications on 3G such as Security/Home Surveillance, Live TV, Coaching, Virtual Real Estate, Video Adverts, etc

Editor: How many channel partners does RADVISION have in EMEA and do you want to increase that number? What needs to be done to support them even more strongly in 2008?

Philippe: At this point we have around 100 active Partners in the EMEA Region with some quite big ones such as Cisco, HP, Alcatel Lucent, Aethra, Sony and LifeSize. We do not believe in quantity of Partners but more on their dedication to us and their market expertise. We are currently also referencing new Partners, believing in the unique Infrastructure position of RADVISION and recently somewhat shocked by the recent Tandberg acquisition.
We are also looking for the same level of loyalty from our Partners that we are giving to them.

Editor: How does one become an approved RADVISION channel or VAR? Is it as tough as qualifying to be an approved Cisco channel?

Philippe: Becoming a RADVISION Partner means not only that you have the skills and the Market penetration but also that the Partner is really committed to RADVISION and will effectively promote the unique RADVISION value proposition and its independent vision of the infrastructure of a videoconferencing network. We don't know how tough it is to become a Cisco Partner but for sure Cisco is an excellent Partner to us with dedication and loyalty.

Editor: How did RADVISION revenues perform in EMEA in 2007 and what are the channel partners telling you about the prospects for 2008?

Philippe: Q1 and Q2 were on target and we suffered from some delays in orders in Q3. Q4 looks very promising and we are expecting some real large orders in December with the opening of new substantial accounts in France, Germany, UK and Italy. Our regular channels are also announcing quite a few good bits of news, especially in light of the new collaborative suite of tools that we have launched recently.

Editor: What are the major changes you would like to bring to RADVISION's EMEA operations in 2008 and 2009?

Philippe: 2008 is described by many Service Providers as being for them the year of enhancement of Video Collaboration with Telepresence offerings. We are going to address a pan-EMEA set of offerings for Service Providers. As I said, we are also staffing sales and pre-sales people in a few major countries such as Italy, Spain, Russia and we foresee a very interesting year for 2008.

Editor: What is your message for 2008 to your existing and new RADVISION partners in EMEA?

Philippe: Keep going, stay focused as we are.

Editor: Philippe, thank you very much for these valuable insights.

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