



**Emerging Tech Innovation:** New Horizons, Net New Business  
Kent Breaux – Senior Manager, Emerging Technologies Sales

# Agenda

**Increasing Role of Technology**

**Internal Innovation Strategy**

**Focused Go To Market**

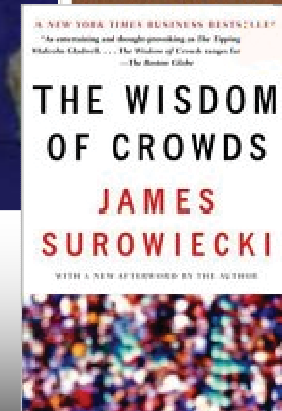
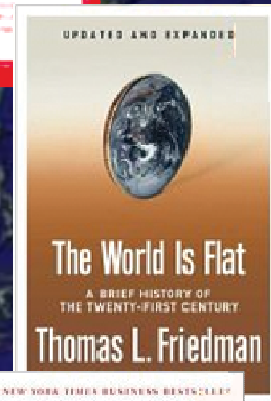
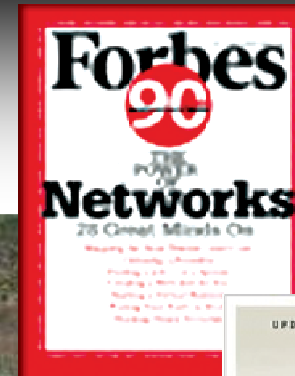
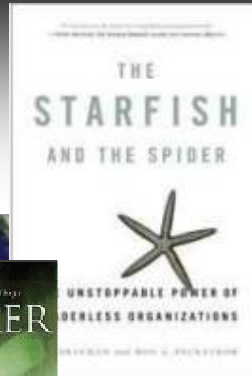
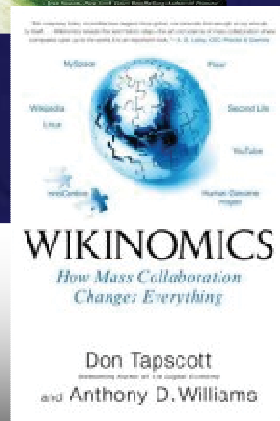
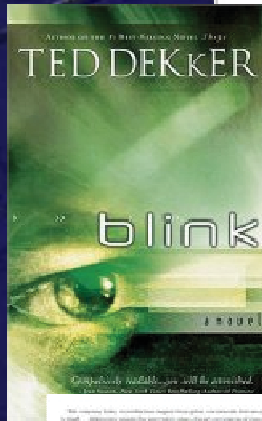
**Technology Direction**

**Summary**

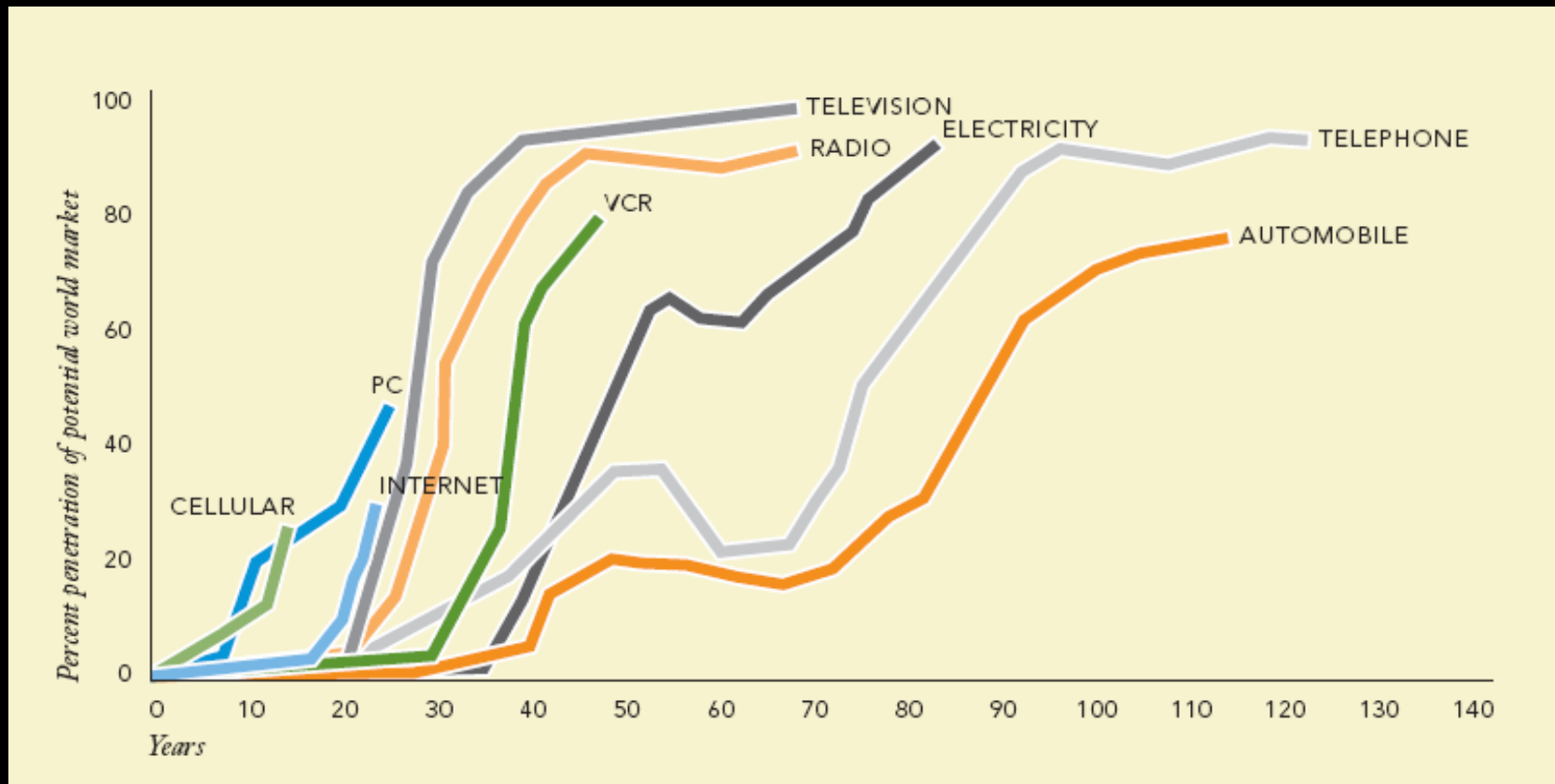


# New Collaboration and Business Models

## Changing the World



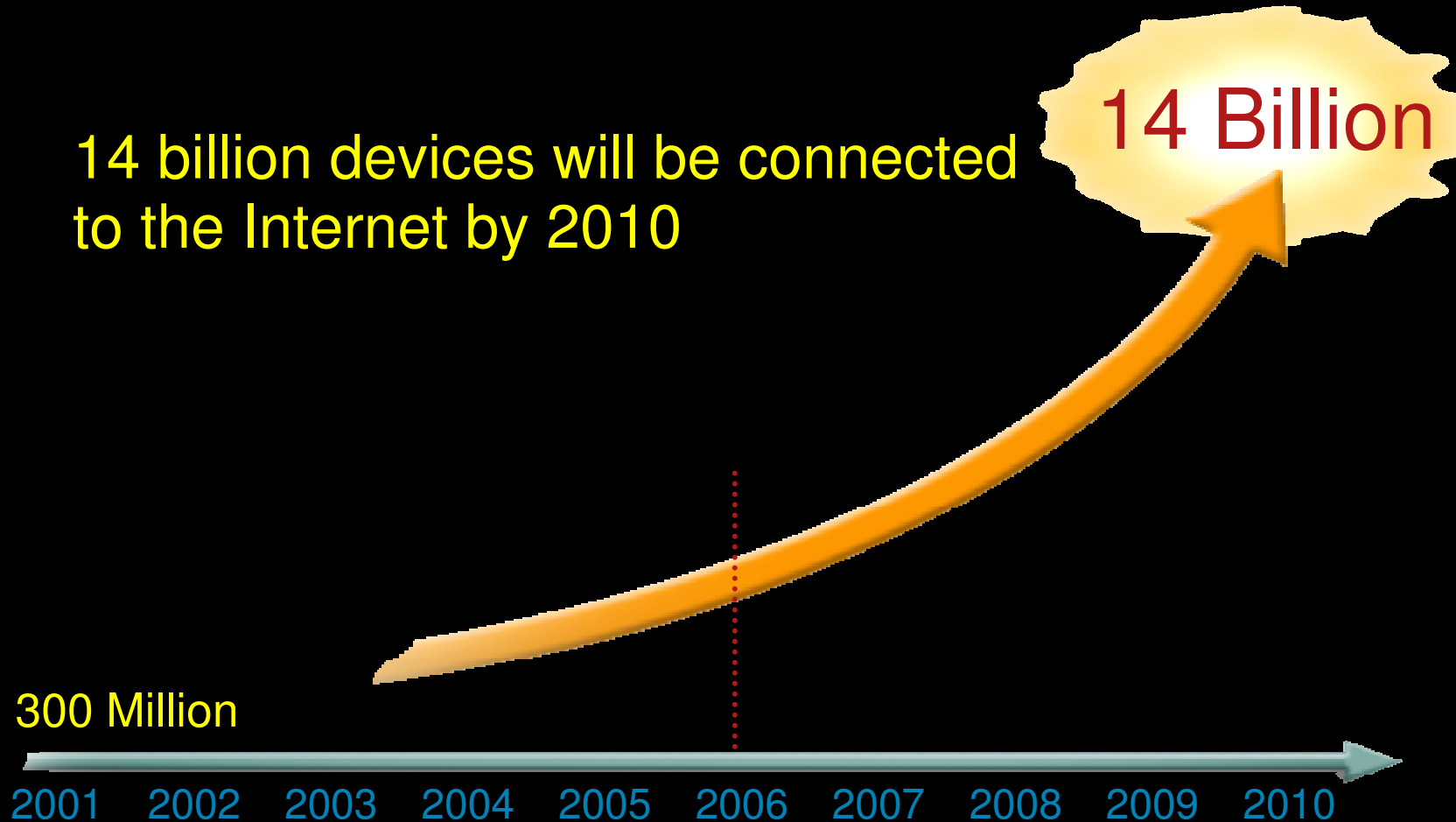
# Pace of Innovation Accelerating



Source: IBM's Global Innovation Outlook, Joseph Jacobsen, Organizational and Individual Innovation Diffusion, 2004

# Everything Will Be Connected

14 billion devices will be connected to the Internet by 2010

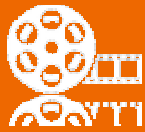


Source: Forrester Research, February 2005

**MOBILITY**

**VIDEO**

**VIRTUALIZATION**



**WEB 3.0**

**anywhere**

**any  
media**

**any  
device**

**WEB 2.0**

**XML**



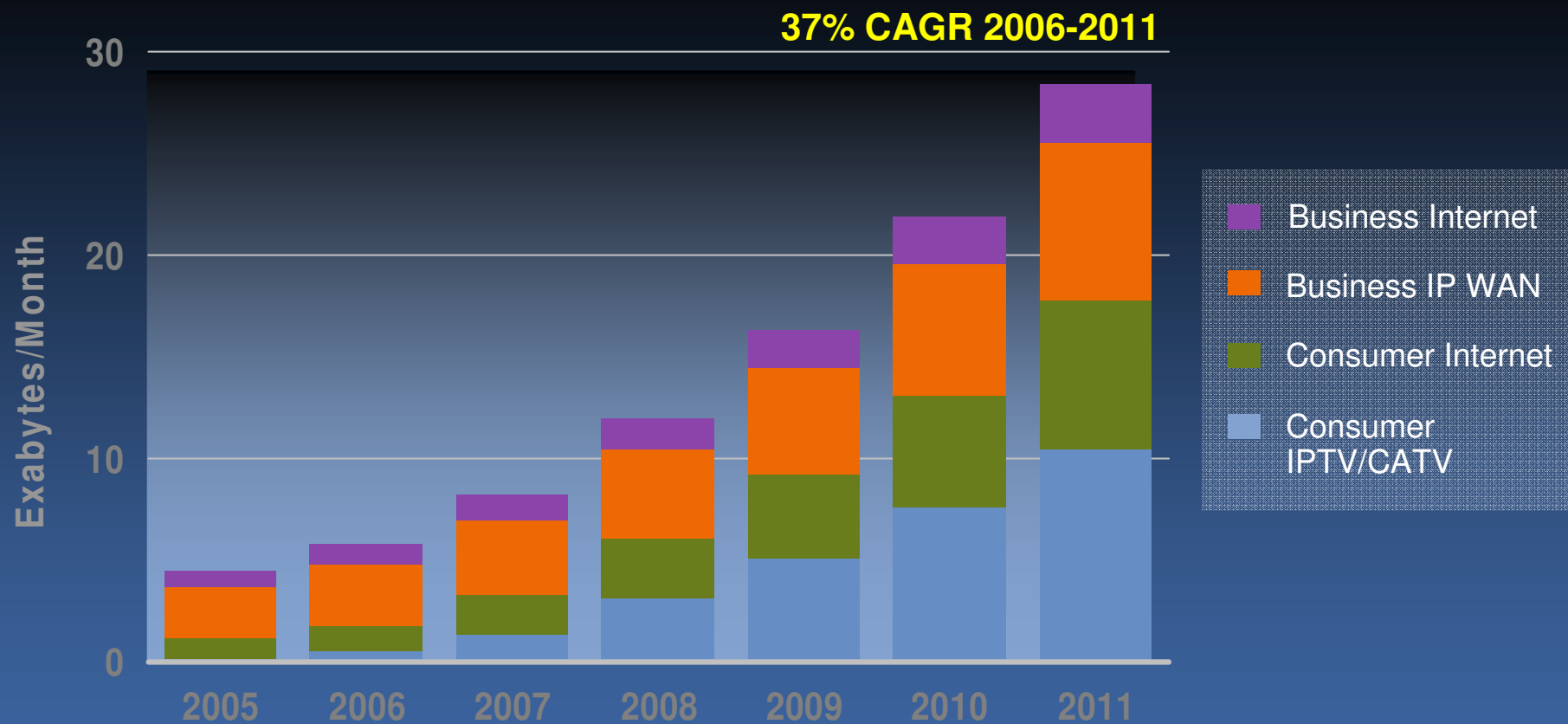
Wikis, Blogs, Mashups

**WEB 1.0**



Browser, Email/IM

# IP Traffic Will Quintuple from 2006 to 2011...



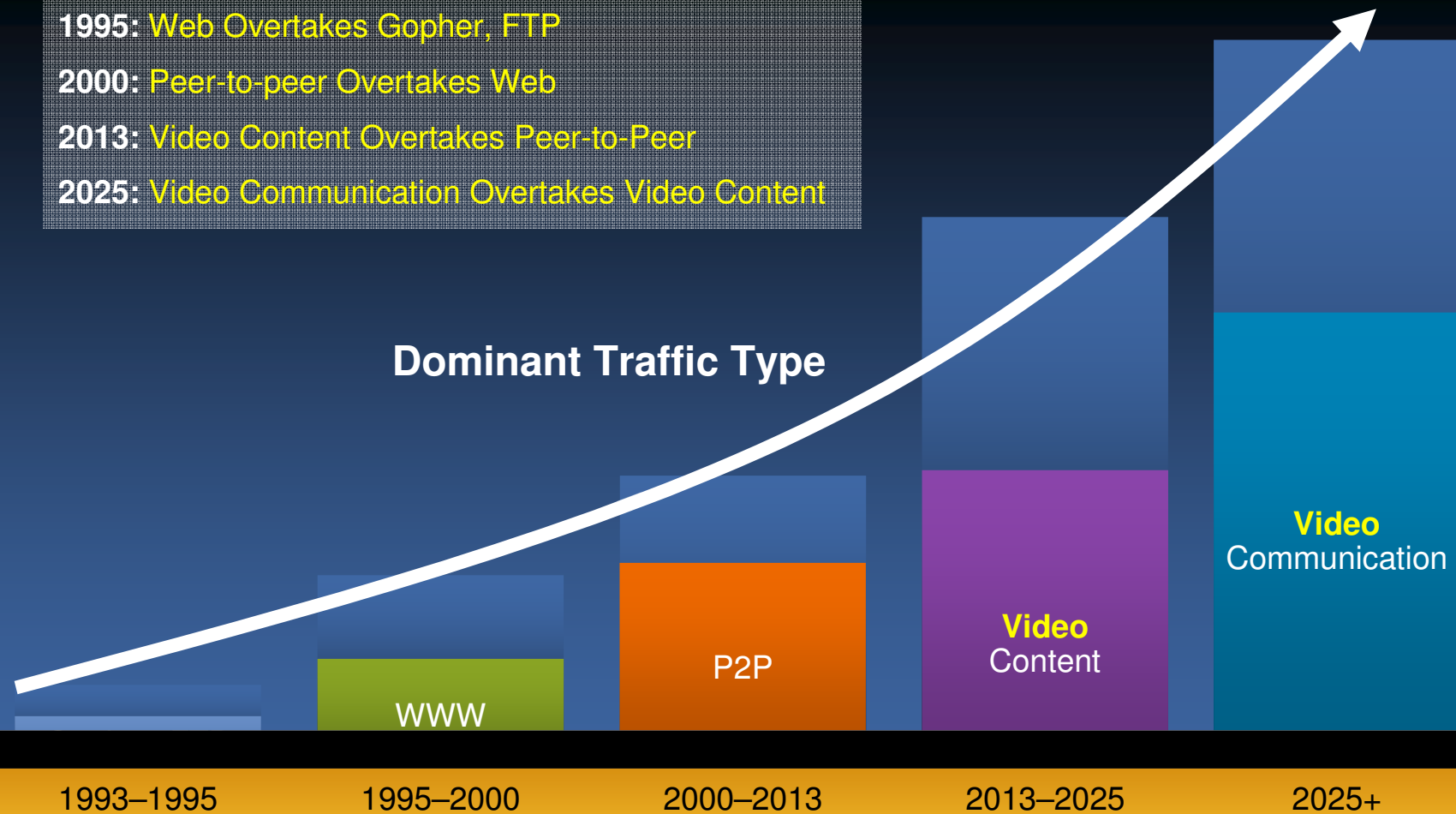
1 Exabyte = 1,000,000,000,000,000,000 Bytes

Source: Cisco Global IP Traffic Forecast, 2007

# ...Fueled by Video

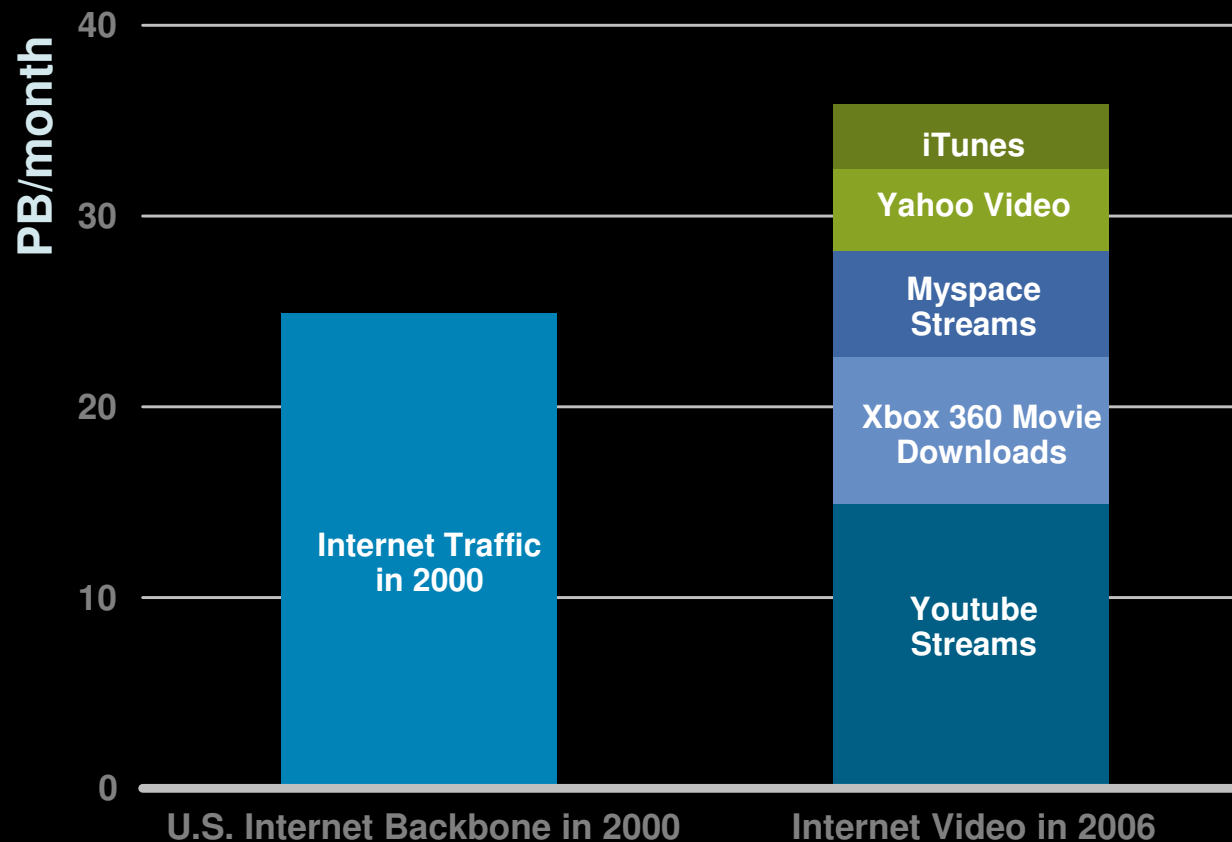
1995: Web Overtakes Gopher, FTP  
2000: Peer-to-peer Overtakes Web  
2013: Video Content Overtakes Peer-to-Peer  
2025: Video Communication Overtakes Video Content

## Dominant Traffic Type



Source: Cisco Global IP Traffic Forecast, 2007

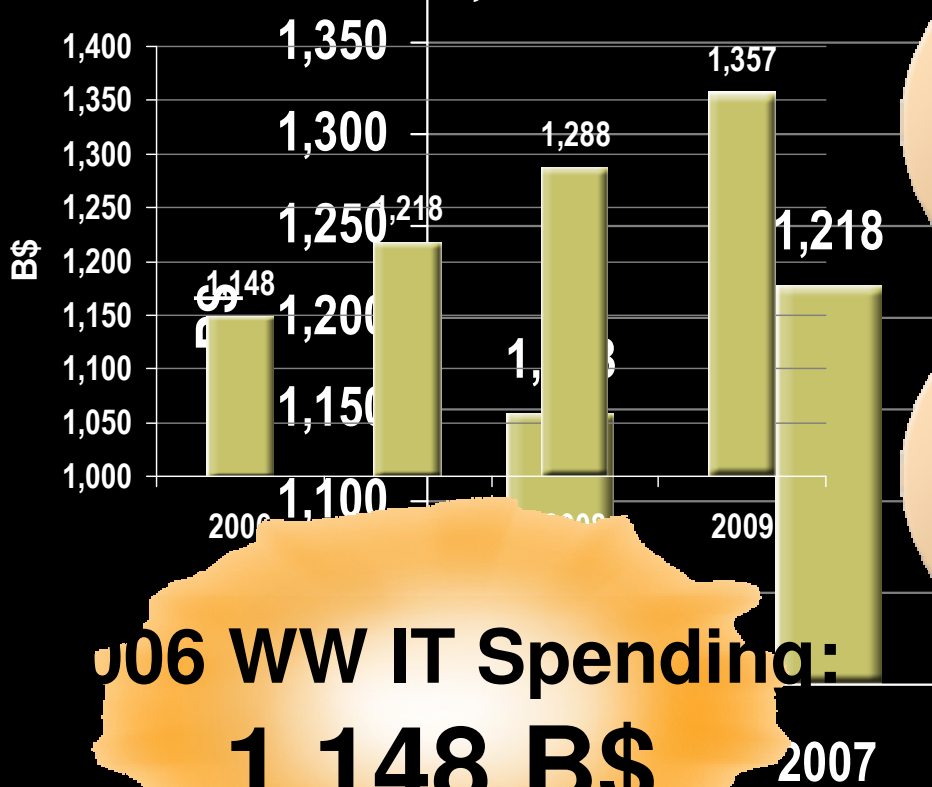
# Video Already Generates More Traffic than the Entire U.S. Backbone in 2000



# Where Does the IT Money Go?

## Growth in IT Spending Worldwide, 2006–2009

Growth in IT Spending in Worldwide, 2006–2009



2006 WW IT Spending:  
**1,148 B\$**



Source: IDC, Black Book, January 2006

# Cisco Strategy for Growth



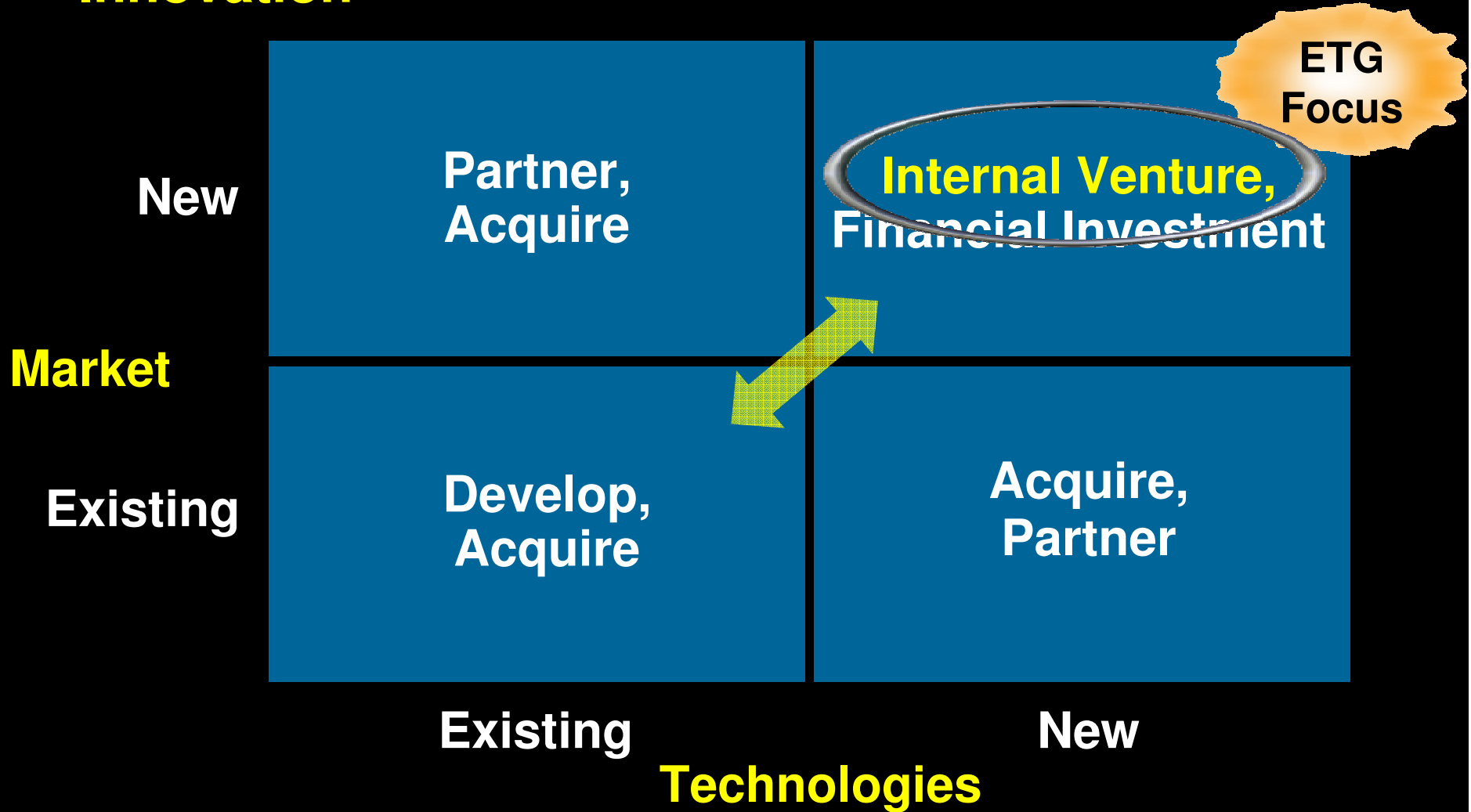
**1** Expand Core Markets

**2** Grow AT Markets

**3** Create New Opportunities

# ETG: A New Growth Model

## New Products for New Markets—Disruptive Innovation



Source: Prof. Ed Roberts, MIT Sloan School

# Our Mission

To cultivate a steady stream of new businesses with \$Billion potential, architectural integration and growth engine opportunity for our Foundation and AT businesses.

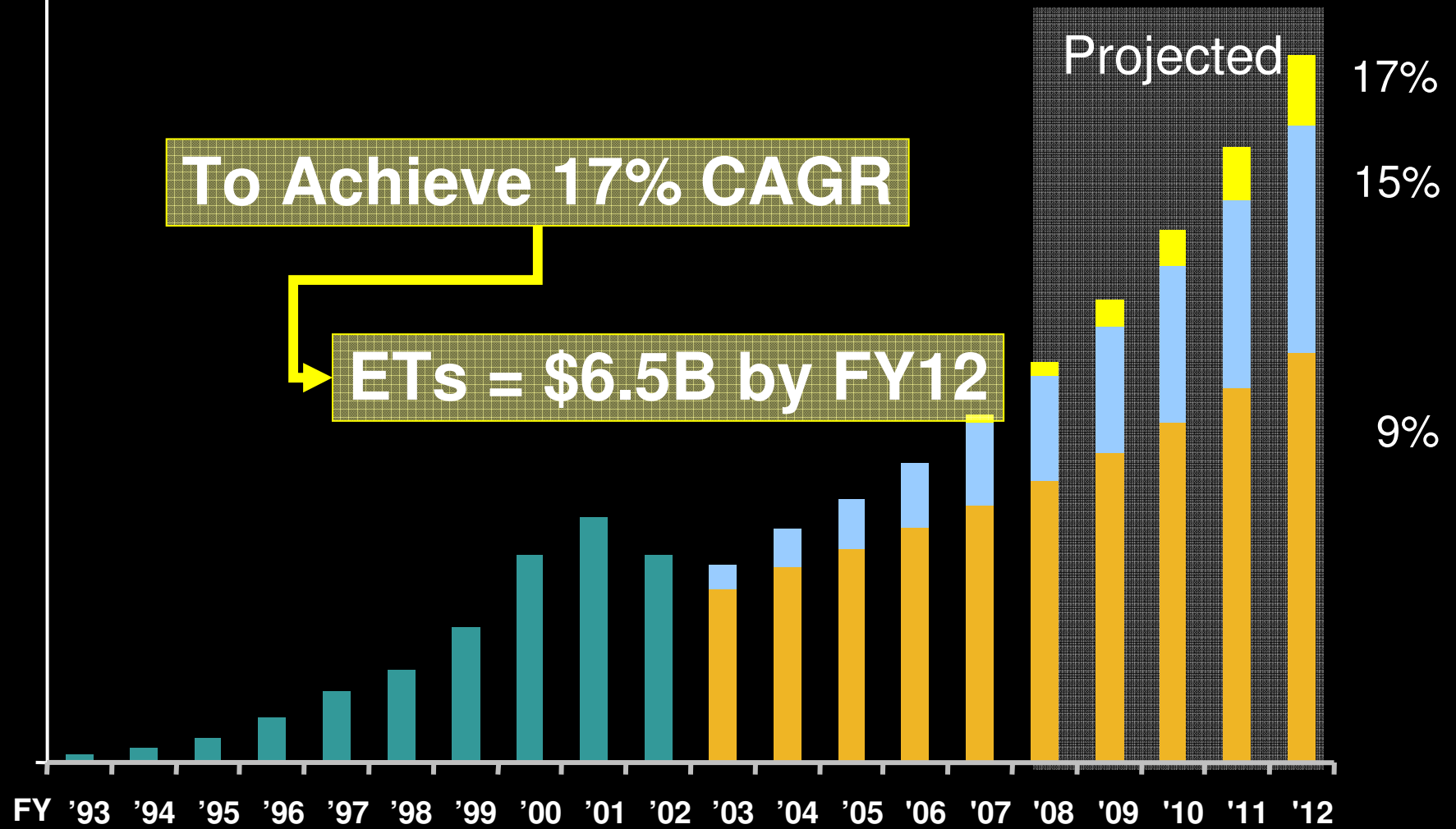
**But.....Vision without Execution is Hallucination**

**- Albert Einstein**

# Innovation Strategy for Sustainable Growth

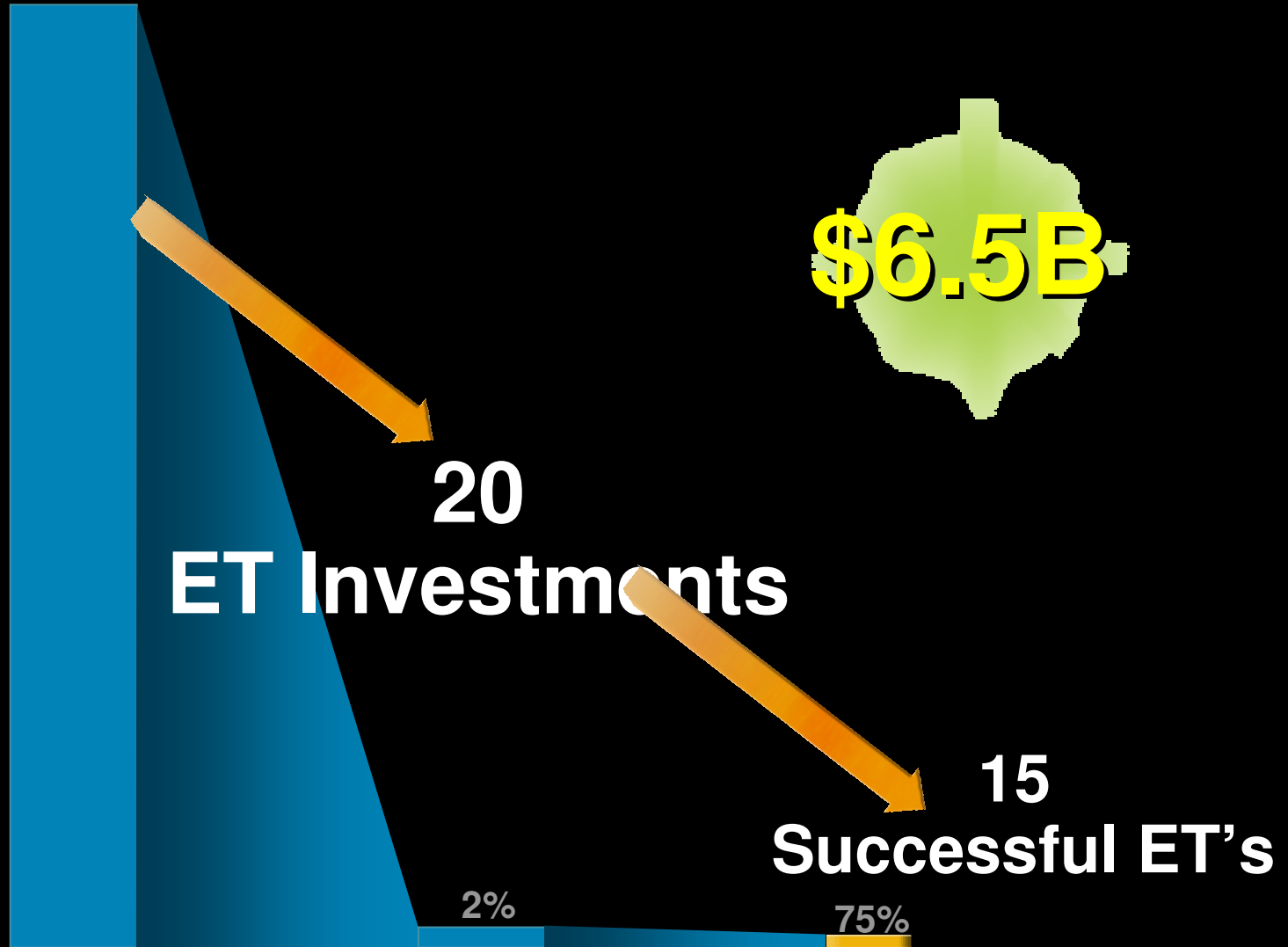


CAGR



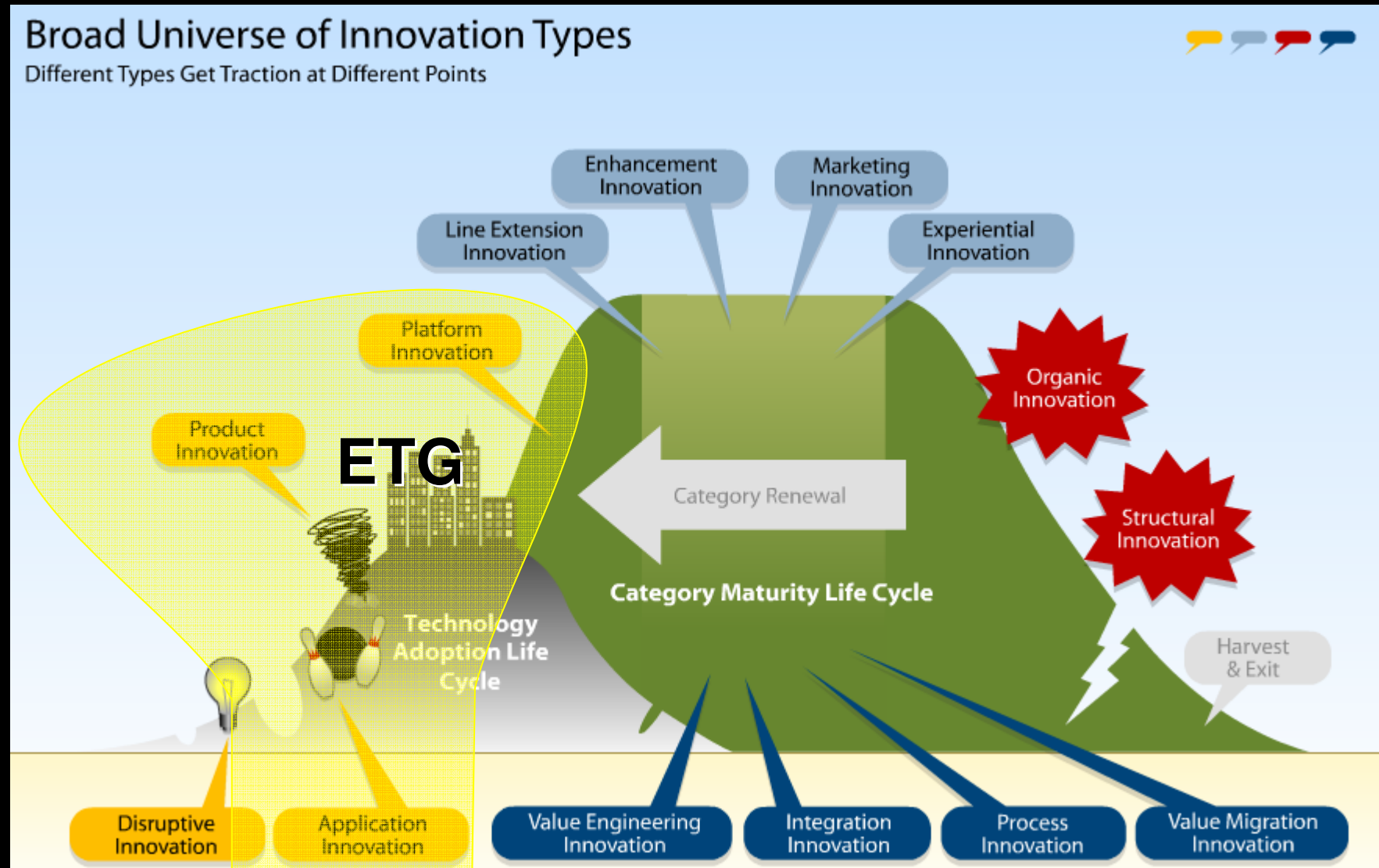
# Internal Venture Math

1,000  
Prospects



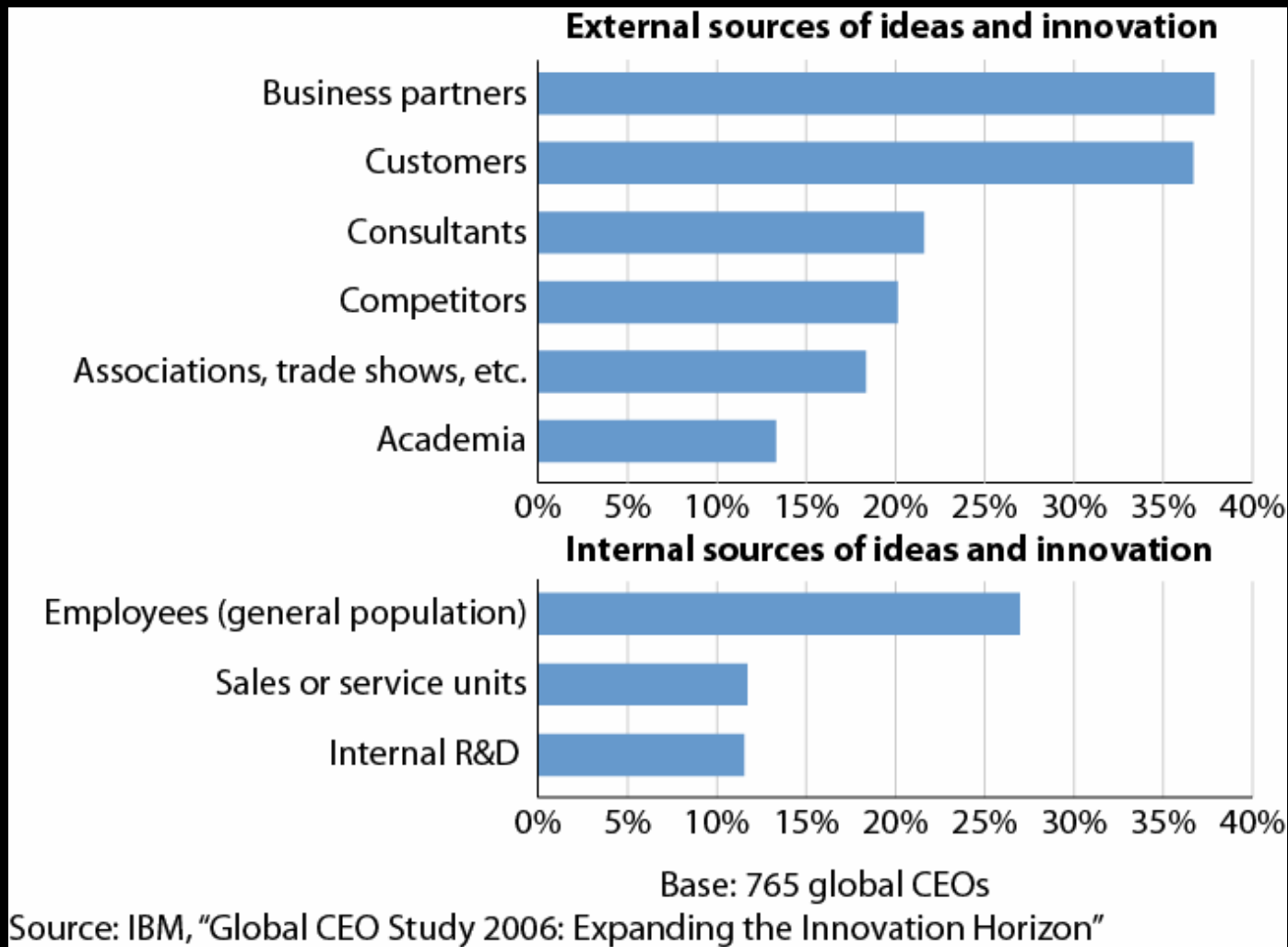
# ETG and Innovation Types

## Focus on the Product Leadership Zone



Source: Geoffrey Moore, "Dealing with Darwin"

# Sources of Innovation



# Announcing: ETG I-Zone

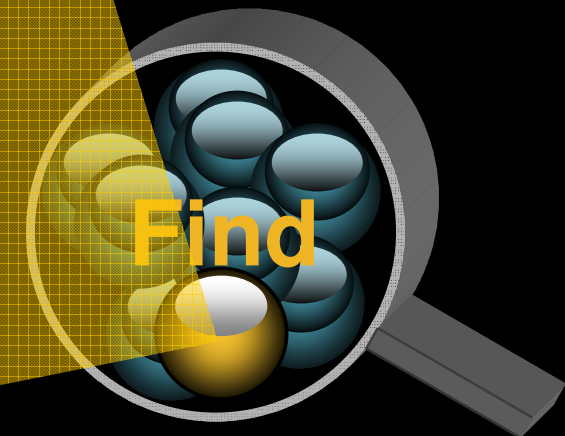
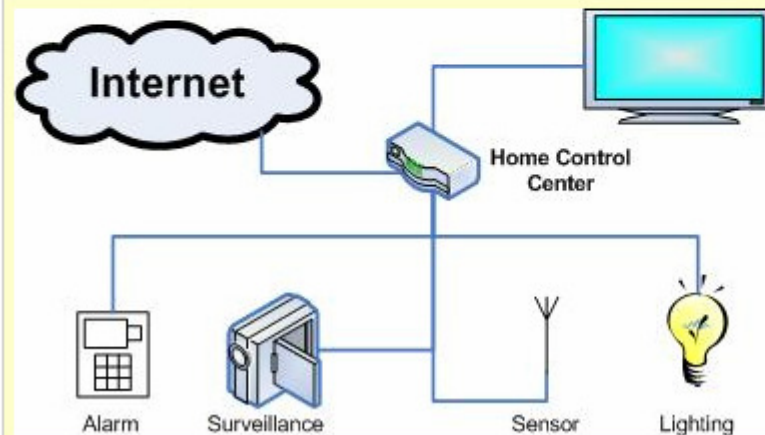
## How you can Help Create the Next Hit Product!

<http://wwwin.cisco.com/ETG/>

### New Product Idea:

#### Idea Description

Increasingly, home automation technology (video surveillance, temperature/lighting control, alarm systems), home entertainment (networked media players), and home healthcare (remote patient monitoring) are leading to a profusion of IP-enabled devices in the home that do not recognize each other, need to be individually configured, and may each come with their own (siloes) monitoring application (e.g. Linksys with its home security monitoring website).




# I-Prize: I-Zone for the world:

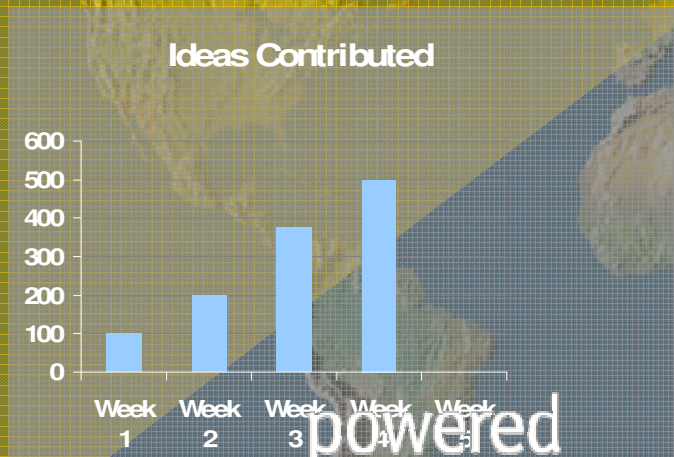
[www.cisco.com/iprize](http://www.cisco.com/iprize)

Open to all  
Collaborate to win  
Winner gets \$250K  
Cisco invests \$10M+  
to create new \$1B+ business

Compete for the  
**Cisco I-Prize**  
Your Inspiration. Our Resources.



> [Learn How](#)



Web 2.0  
Idea Blog

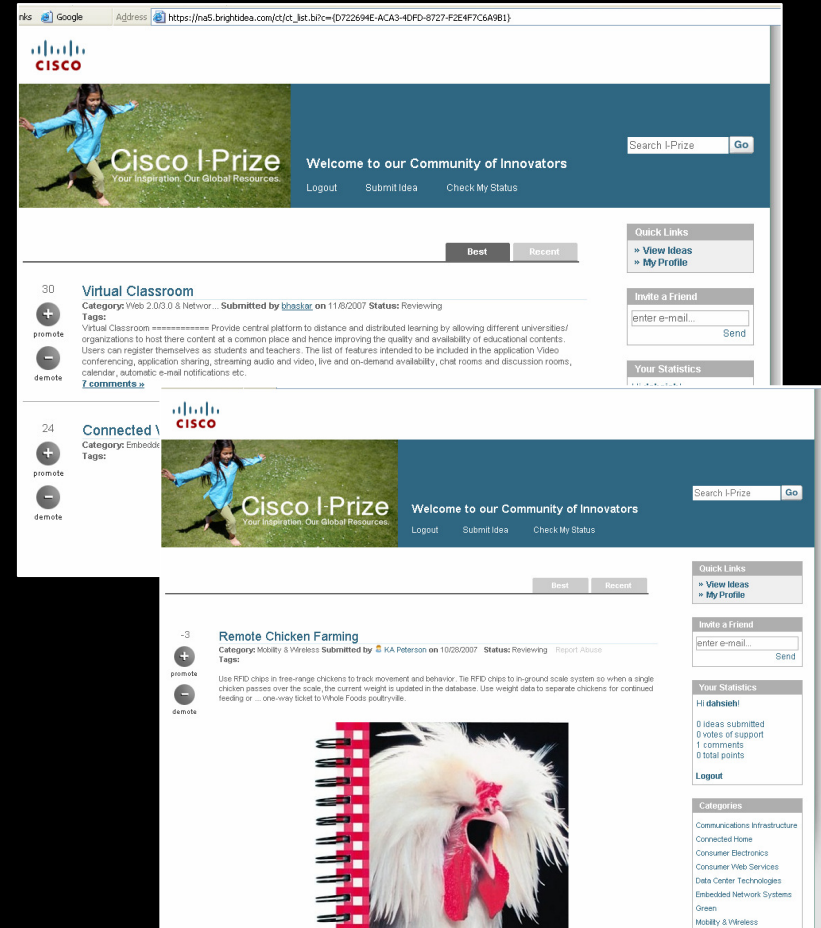
WebEx  
Collaboration

TelePresence  
Finalists

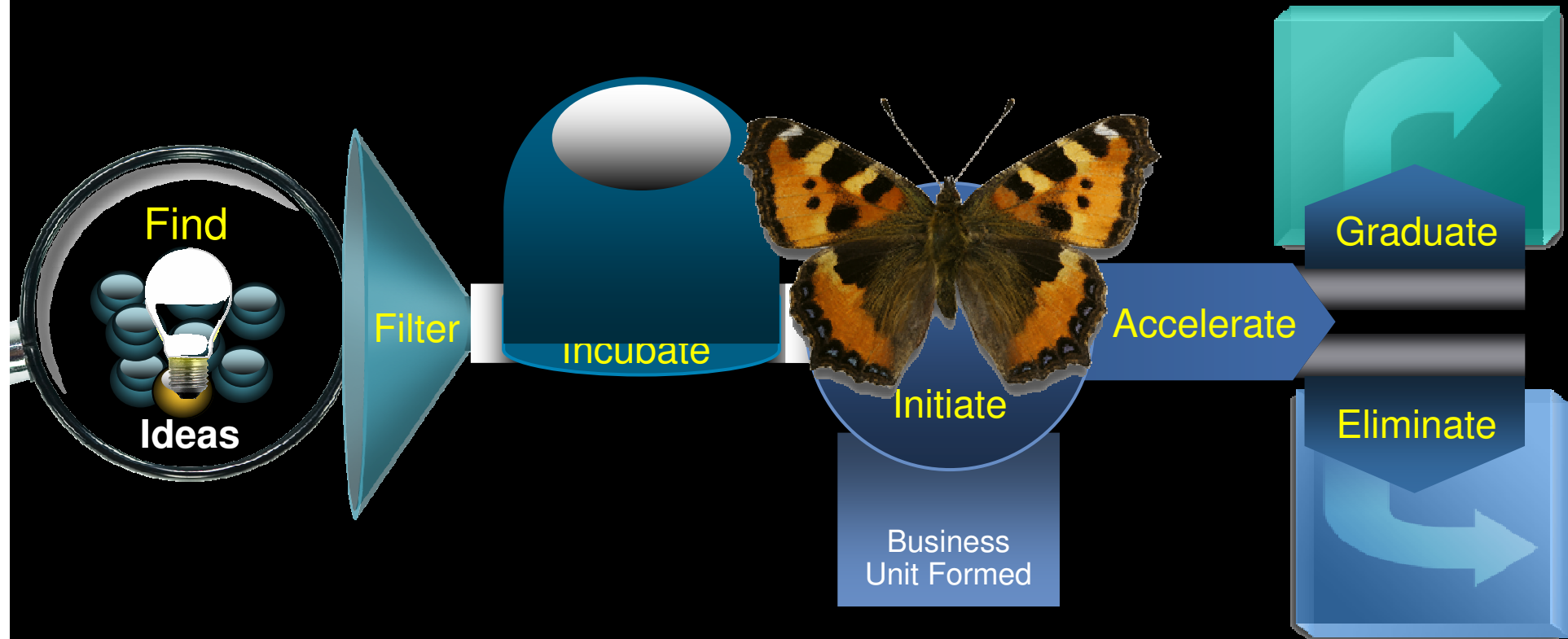
New  
BU

# Cisco I-Prize So Far...

- Over 500 ideas
- 900 users, more than 60 countries
- 1000's of comments
- Mentions in 350+ Blogs
- YouTube videos viewed over 100K
- Home page presence in 20 countries
- Regular Blog updates



# Internal Venture Framework



**“The absolute best-in-class implementation of innovation is what Cisco is doing with its emerging technologies group.”**

Forbes Magazine, Oct 23<sup>rd</sup> 2006  
Geoffrey Moore  
Managing Director, TCG Advisors



**Cisco Telepresence**  
Virtual Business Meetings



**Public Safety Systems**  
IP Interoperability and  
Communications  
Systems (IPICS)



**Digital Media Systems**  
Digital Signage and  
Desktop Video



**CONSUMER**



**Physical Security**  
Video Surveillance  
and Access Control



**CONVERGENCE**



**COLLABORATION**



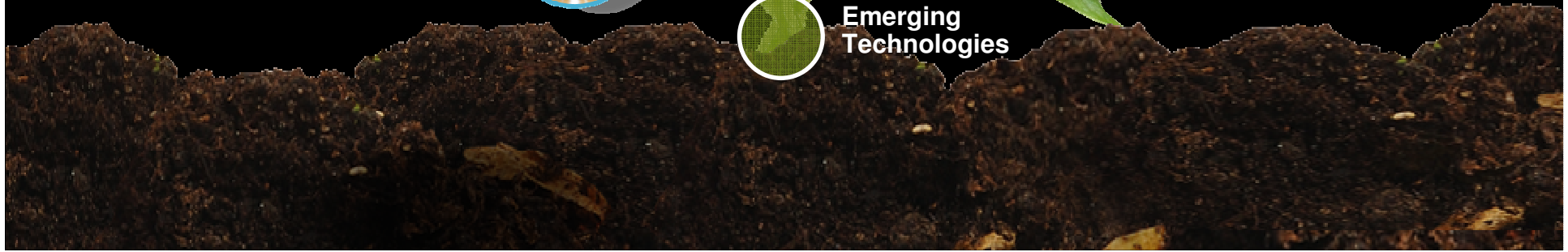
**SERVICES**



**VIDEO**



**Emerging  
Technologies**



## Digital Media Systems Digital Signage

- Digital media creation, management & publishing of live video broadcasting or VOD to the desktop or digital signs



## IP Interoperability and Communications System (IPICS)

- Seamlessly connects radios, phones, and communication devices over IP



## Physical Security Video Surveillance

- Re-inventing the safety and security market through the use of IP based video surveillance and access technologies



## Cisco TelePresence

- Unique, in-person experiences over the network – enables users to collaborate like never before

**Emerging  
Technologies**



# Cisco TelePresence Meeting Solution

## Endpoints Product Breadth



### Cisco TelePresence System 3000

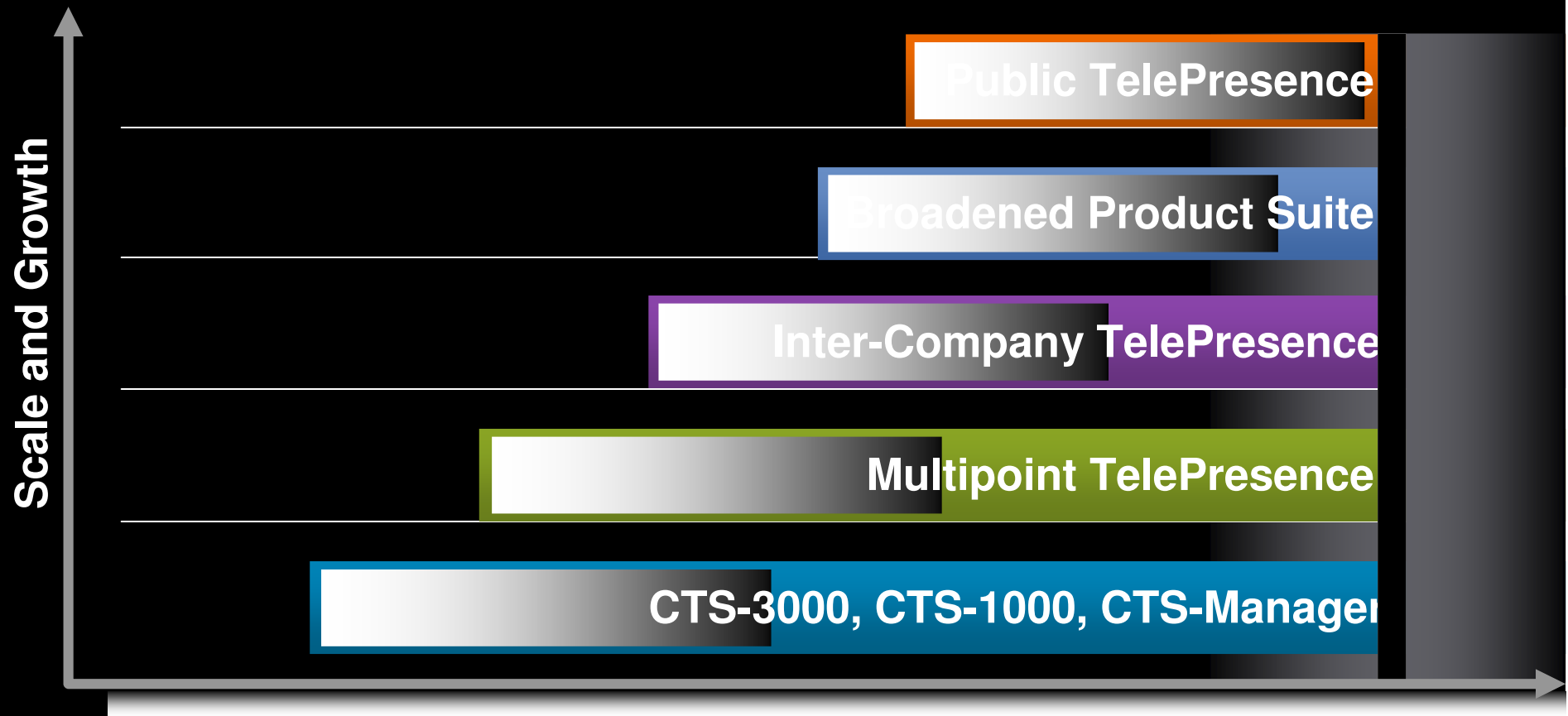
- 12 seats at the virtual table
- Purpose-built room



### Cisco TelePresence System 1000

- 4 seats at the virtual table
- General purpose room

# TelePresence Momentum—What's Next?



- Multiplying the use case through inter-company TelePresence: exponential deals
- Product Suite: Larger rooms, smaller rooms, more new features
- As simple as a phone call, completely secure, multiple methods for customer needs

# Cisco on Cisco TelePresence Momentum

- 132 Cisco TelePresence in major cities globally

US/Canada: 92

APAC/Japan: 19

Europe: 19

Emerging: 2

- 28,813 TelePresence meetings scheduled to date.

Weekly average 597 meetings

5,883 meeting with customers

7.1 Million cubic meters of CO<sub>2</sub>  
Equivalent of 3,018 cars per year

# Business Transformation With Cisco TelePresence

Business-to-Business



Ease of Use



Scale of Deployment



Global Network Multipoint



In-Person Experience



TCO



# Cisco IPICS: What it is today—and Tomorrow: System for Communications Interoperability

**Contextually** Integrates  
Multiple Modalities of  
Communication for  
Interoperability and  
Collaboration

Automation, Inference  
Engine, Workflow  
Integration

Policy-Based Communications  
Interoperability

Comprehensive Voice  
Interoperability

GIS and Data

Video

Sensor

PC

P

PSTN

Cell

NXTL

Radio  
Interoperability

UHF

VHF

Cisco Innovation  
@ Work  
25 Patents Filed

# Public Safety and Security with Cisco IPICS

**Interoperability  
Beyond Radio**



**Boulder County  
A**



**Secure  
Communications**



**Bryant  
University**

**Scale to Need of  
Any Emergency**



**State of Georgia  
Forestry Commission**

**Agency  
Collaboration**



**Piedmont Regional  
VoIP Interoperability Project**

**Broadband  
Mobility**



**Cisco Safety  
and Security**

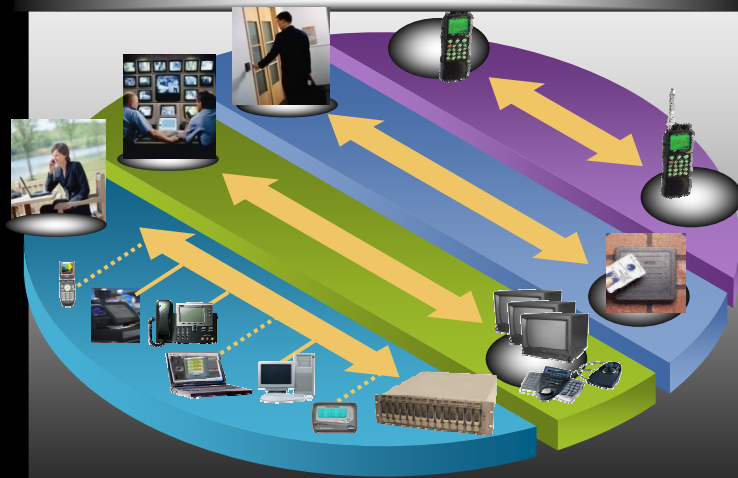
**TCO**



**Massachusetts  
HLS District**

# Convergence of Applications Driving Productivity in Safety and Security

## Transforming from Silo'd Infrastructure



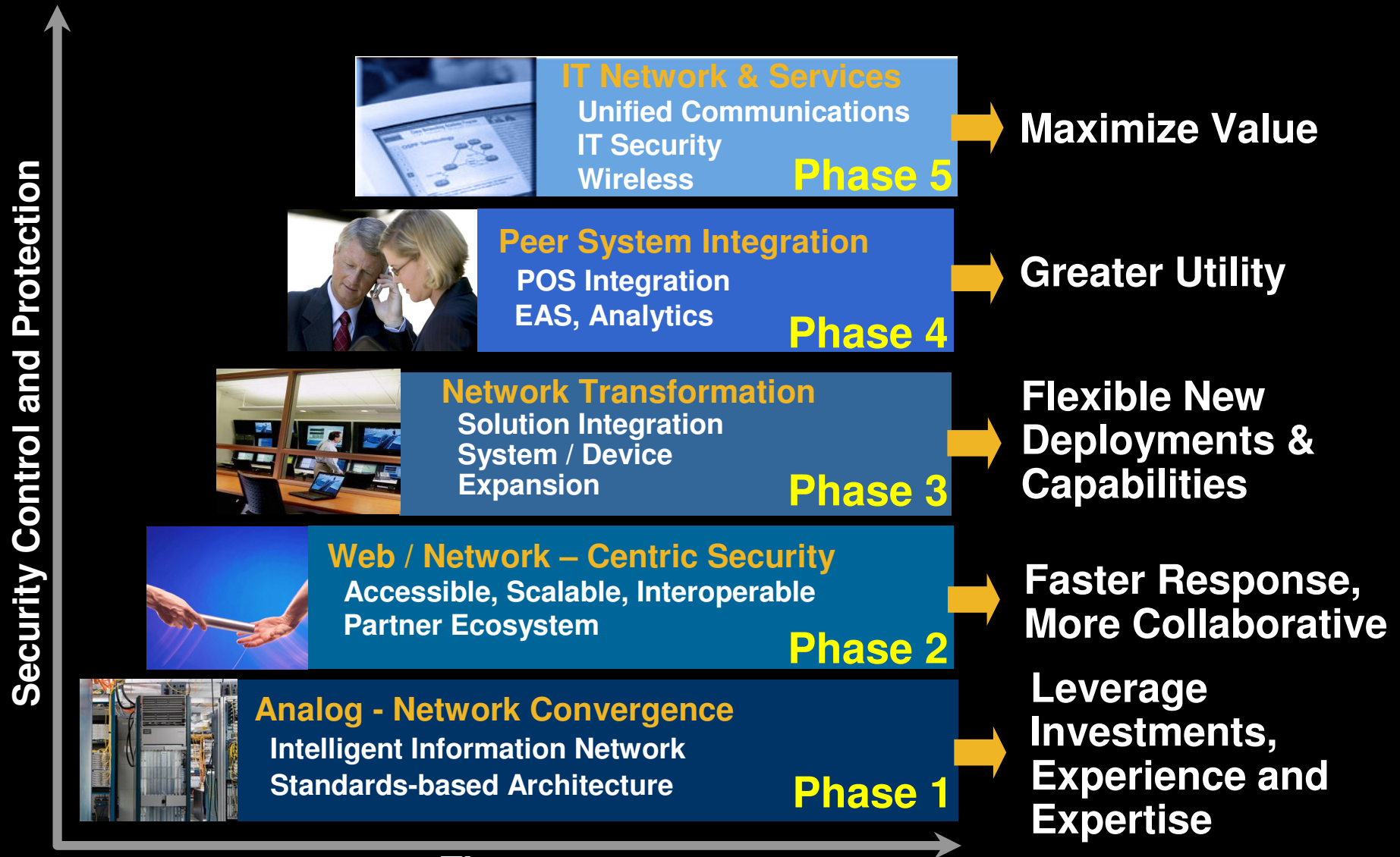
## To Collaborative Applications



**Consolidation → Connectivity → Collaboration**

# Cisco's Vision for Safety and Security

## Delivering the Intelligent Converged Environment



# Business Transformation with Cisco Physical Security

Access Operations  
Anywhere, Anytime



Interoperability



NORTHROP GRUMMAN

ARINC

Scalability and  
Reliability



New Application  
Integration



New Legacy  
Capabilities



Harrah's

Analog System  
Compatibility



# Cisco Digital Media System Desktop Video and Digital Signage

## Media Creation



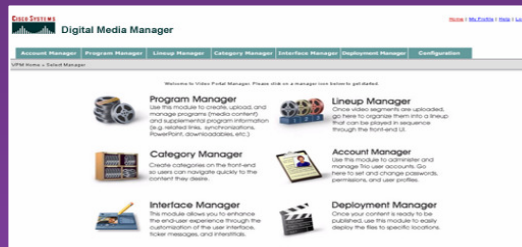
Digital Media Encoder 1000



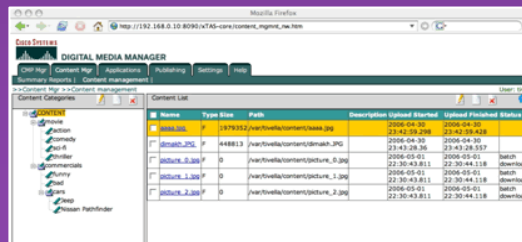
Digital Media Encoder 2000

## Media Management

### Digital Media Manager



### Video Portal Module



Digital Signage Module

## Media Access



Cisco Video Portal



Cisco Digital Media Player

Solution that Spans Across the Digital Media Value Chain

# Business Transformation With Cisco Digital Media System

Centralized Content  
Management



Easy, Customizable  
Publishing and Access



Scalability to 1000's  
of Endpoints



Flexible Scheduling  
and Features



Real-time Information  
and Entertainment



Trusted Source  
and Innovation



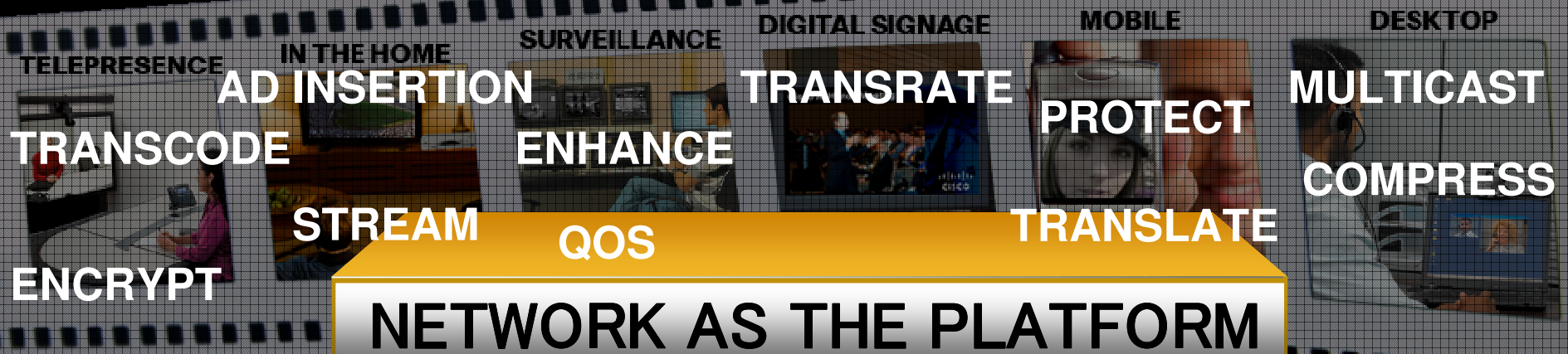
Growth and  
Results

Over 425 Customers in just 15 months  
Global momentum across all vertical industries  
Customers asking "how do I," not "why" deploy

# Video Wall for the NBA All Star Game



# Emerging Technologies Enhance the Network





**CISCO** <sup>TM</sup>