



## Collaborative Discussion with CIOs on the Future of IT and Business Transformation

John Chambers  
Chairman and CEO

*"If you agree with everything I say, I have failed"*

## **GAAP Reconciliation**

During this presentation references to financial measures of Cisco will include references to non-GAAP financial measures. Cisco provides a reconciliation between GAAP and non-GAAP financial information on our website at [www.cisco.com](http://www.cisco.com) under “About Cisco” in the “Investor Relations” section.

<http://investor.cisco.com/financialStatements.cfm>

## **Forward-Looking Statements**

This presentation contains projections and other forward-looking statements regarding future events or the future financial performance of Cisco, including future operating results. These projections and statements are only predictions. Actual events or results may differ materially from those in the projections or other forward-looking statements. Please see Cisco’s filings with the SEC, including its most recent filings on Form 10-K and Form 10-Q, for a discussion of important risk factors that could cause actual events or results to differ materially from those in the projections or other forward-looking statements.

# what's on your mind?

How to best support CEOs

Enable business / government strategy

Flexibility... Present economic challenges

Demonstrate value of IT to business

Collaboration... New business models

What are your peers doing



# Where to Invest?

## CEO Priorities vs. CIO Priorities



# Basic Approach to Economic Challenges... Playbook

- Macro Environment or Strategy?
- Length and Depth?
- Prepare for Upturn
- Expand Customer Relationships



# Gameplan... Six Point Plan

① V / S / E... Success

② Collaboration / Web 2.0... Growth and Productivity

**③ Resource Management / Realignment**

④ Aggressive Strategy... Prioritize / Execute

⑤ Investment in US / Emerging Countries

**⑥ Network as Platform... Future IT / Comm**

**SIX** POINT PLAN



## VISION



- **Network Changes Way We Work / Live / Play / Learn**
- **Network Becomes the Platform... IIN**
- **All Forms Communication / IT Into Network**
- **Enabling New...  
Business Models  
Productivity / Growth  
Entertainment**

5+ Years

## STRATEGY



- **Market Transitions... Customer Driven**
- **Innovation... Build / Buy / Partner... Collaborate**
- **Technology and Business Architecture**
- **Cross Functional Teamwork/Prioritization**

2-4 Years

## EXECUTION



- **#1 Product Leadership**
- **Lead Layers 1-7 Convergence**
- **Leader In All Customer Segments**
- **Quad Play Everywhere... UC**
- **Leader in Collaboration / Web 2.0**

12-18 Months

# Business Architecture for Collaboration... Part of Culture

## Working Across Functions Toward Common Goals

Supply Chain Mgmt

IBSG

Marketing

Services / Support

Finance / Legal / HR

Technology

Sales

Comms

Channels

Bus Dev / Alliances

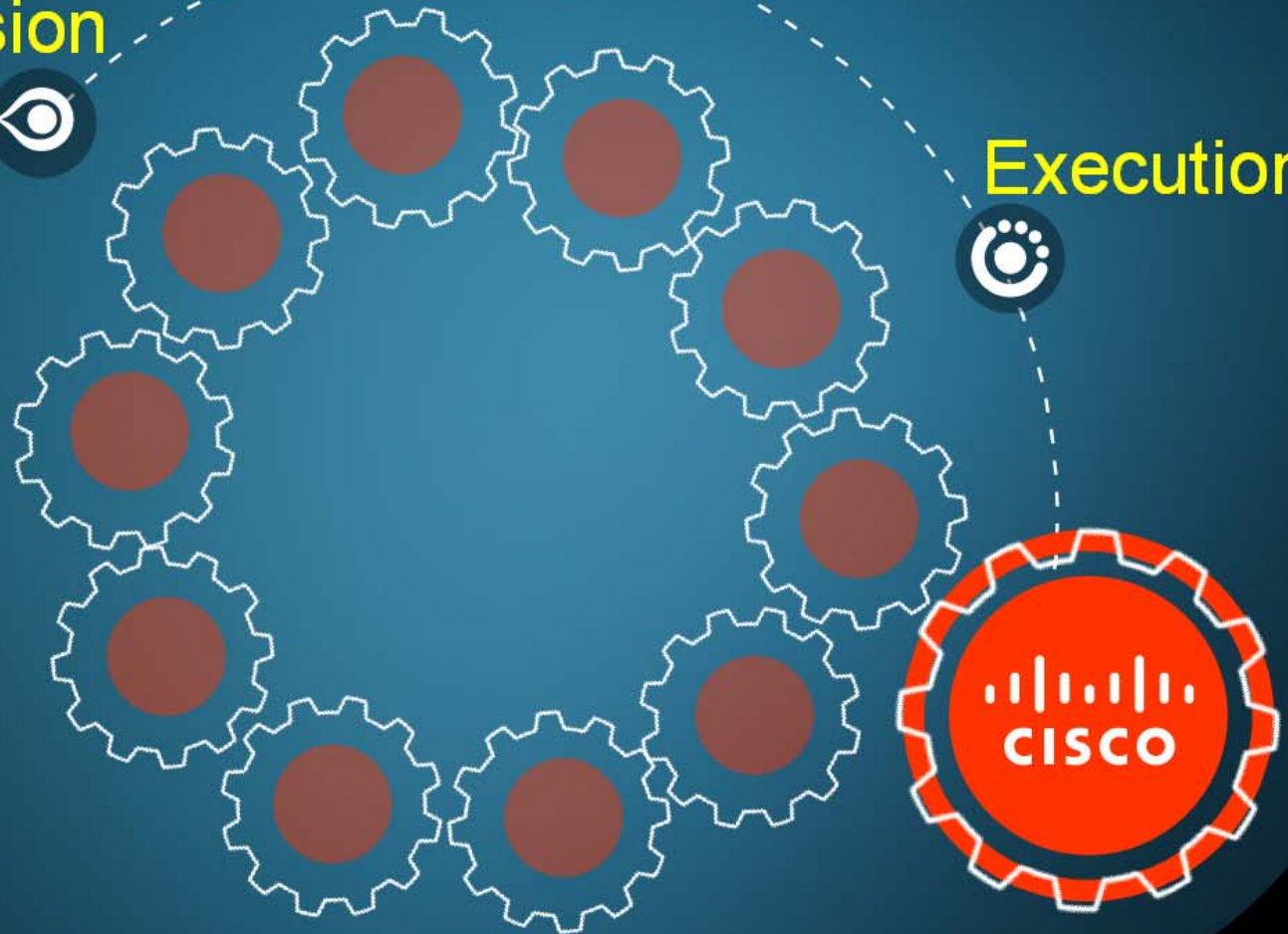
Vision



Strategy



Execution





# Operationalizing Collaboration / Web 2.0

## Small Business Council Example

Speed of Decisions

Quality of Decisions

Align / Realign

Stickiness

Reduce Redundancy

Close Gaps

Generated Revenue

Acquisition

New Products / Features

Cost Avoidance

New Processes



**Further in 6 months**  
**\$100M Realigned**  
**1 of 26 Priorities**

## Speed and Scale

# Collaboration in Action: i-Prize... Speed and Scale



## Cisco I-Prize

Your Inspiration. Our Global Resources.

Cisco is looking for its next major business opportunity and you could be the key to success. Compete for the Cisco I-Prize – collaborate with other entrepreneurs globally, pitch your big idea and have a chance to win the opportunity of a lifetime!



- 1200 ideas
- 104 countries
- 12 finalists

1200 ideas  
submitted in  
5 weeks

webex



Winner:  
Team  
AKS

Web 2.0  
Idea Blog

WebEx  
Pitches

TelePresence  
Finalists

New BU



# Evolution of the Web 2.0 Workforce Experience

NG Workforce Experience Enabled by Web 2.0

## User Experience



## New Business Capabilities Integrated Work "Spaces"



## Platform Building Blocks / Technologies



# Speed and Scale





Listen, Share, Explore, Deliver

Next Phase of Internet... Network /Platform

What Cisco needs to do better

Expand customer relationship... Downturn



Best in the world. Best for the world.

