Next Gen Network Architectures Cannot be Good Enough!!!

Average is Gone

Dr. Bernd Heinrichs, Managing Director Architecture Sales Cisco EMEAR Central
Cisco EXPO Bosna i Hercegovina, 9th May 2012
Strategy
Solve our customers’ most important business problems by delivering intelligent networks and technology architectures built on integrated products, services and software platforms.

Goal
“Cisco’s intelligent networks become our customers’ most strategic communications, IT and business asset, helping solve their most important technology and business issues.”
Our 5 Foundational Priorities

1. Leadership in the Core… Routing / Switching / Services
2. Collaboration
3. Data Center / Virtualization / Cloud
4. Video
5. Architectures for Business Transformation

Key Drivers of the Future of the Intelligent Networks…
By 2020 there will be 123 billion connected devices to the internet.
TOTAL COMPETITION Translates to each PERSON owning 206,000 DEVICES by 2020 on average.
55M iPads in 18 months
More than ALL Mac sales in 22 years!

Source: Apple
Mobile computing devices (Smart Phones and Tablets) double PC sales in 2012

Source: IDC
Mobile Apps will be downloaded per year by 2016

Source: IDC
The Evolution
Mobile Devices

Mobility

Bring Your Own Devices
“The competition is selling BYOD…

…we’re selling something that transforms business”
The Cisco BYOD Smart Solution

- For customers:
  - Simplifies operations
  - Fosters innovation
  - Productivity gains
  - Security

- For partners:
  - Reduces Implementation Risks
  - Higher Customer Satisfaction
  - More Profitable Services
  - Increases deal size

Launching in July 2012
Virtualization, Cloud

Mobility
Bring Your Own Devices

NETWORK

Cloud/Virtualization
SaaS | DC/V

Other icons and logos are present but not legible in the image.
The New Workspace is “Anywhere”

- Immersive Collaboration
- Pervasive Video

- Mobility
  Bring Your Own Devices

- Network

- Security

- IT Effectiveness

- Cost Control

- Cloud/Virtualization
  SaaS | DC/V
Is The Network…?

A platform for Innovation?
A Commodity?
Just Bandwidth?
Basic Plumbing?
A Revenue Generator?
Business Relevant?
IT Issues

Compliance and Policy
Budget Constraints
Network and Systems Management
Security Threats
Business-User Demands
Bandwidth Costs
Business Relevance

Network and Systems Management
How Are We Going to Do That?
Which Workspace Will Your Customer Deliver?

Traditional Workspace

- Data
- Voice

Enabled by: ‘Good Enough’ Network

- Single Purpose
- Security as a Bolt On
- Application and Endpoint Ignorant
- Basic QoS
- Standards-Based

Next-Generation Workspace

- Any Device
- Mobile
- Immersive Collaboration
- Virtual Desktop

Enabled by: Borderless Network Architecture

- Unified (Wired/Wireless/VPN, Building and Energy Control)
- Integrated Security from Premise to the Cloud
- Application Intelligence with Optimization, Endpoint Intelligence, Location, and Policy
- Media Aware Control to Support Voice/Video Integration
- Standards + Innovations Driving Standards
The Right Way To Evaluate Network Economics: TCO not CAPEX

Incomplete view of IT cost – captures only a part of network cost

Thorough view of IT cost, including services, labor, bandwidth and energy costs

Business benefits beyond TCO e.g., savings on energy and facilities, network uptime, user productivity
The Value of Borderless Network Architecture Approach

- Enterprises deploying Borderless Network Architecture realize cost and benefits across multiple services
- Forrester study across 13 companies shows compelling 3-year adjusted costs and benefits:

<table>
<thead>
<tr>
<th>Risk-adjusted ROI</th>
<th>Payback period</th>
<th>Total benefits (PV)</th>
<th>Total costs (PV)</th>
<th>Net present value</th>
</tr>
</thead>
<tbody>
<tr>
<td>163%</td>
<td>12 months</td>
<td>$5,737,156</td>
<td>($2,184,032)</td>
<td>$3,553,124</td>
</tr>
</tbody>
</table>

The Architectural Advantage

Business Imperatives
- Raise Customer Satisfaction
- Scale the Business
- Increase Productivity
- Operational Efficiency

Change Customer Interactions
- Manage Risk
- Work Anyplace
- Reduce TCO

Technology Innovation Benefit
- Compute
- Switching
- Routing
- Wireless
- Security
- Virtualization

Architectural Advantage
Borderless Network Architecture

Architecture for Agile Delivery of the Borderless Experience – Secure, Reliable, Seamless

CLIENTS

NETWORK SERVICES


SYSTEMS

Unified Access  |  Cloud Intelligent Network  |  Unified Fabric

BORDERLESS INFRASTRUCTURE

Wireless  |  Routing  |  Switching  |  Application Networking/Optimization  |  Security

SMART SERVICES: PROFESSIONAL AND TECHNICAL
Realize the Value of Borderless Networks Faster
“Average is officially over.”
The world has changed from connected to hyperconnected.

Thomas Friedman, 24th January 2012

NY Times columnist, Pulitzer Prize winner, Author of five bestselling books
Our Innovation Framework

- R&D spend is 13% of revenue
- 20,000 engineers
- 11,769 issued patents

150 acquisitions
One-third of revenue

- 20,000 engineers
- 11,769 issued patents

More than $2 billion in Equity Partnerships and Investments