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News & Views
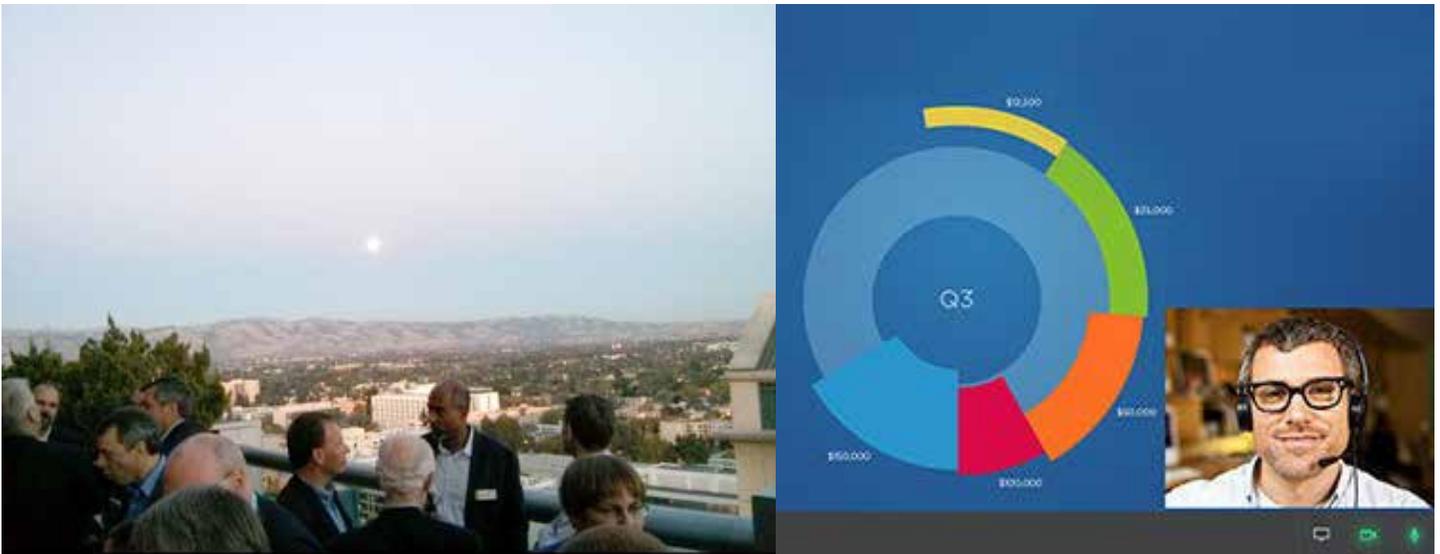### on Unified Communications & Collaboration

Citrix Analyst Day Includes Rising Moon and an Instant Message from Zeus

Alan D. Greenberg, agreenberg@wainhouse.com, and Andy Nilssen, andyn@wainhouse.com

(Left) Full Moon Above San Jose, (Right) Sample Project Zeus Mockup Screen

You'd have thought **Citrix Systems** had pre-arranged for a full moon to be provided by Zeus, the "Father of Gods and Men," as it unveiled several capabilities — one of which is called Project Zeus — to the analyst community last week. Alan and Andy and more than 100 other analysts attended a day-and-a-half of talks, pitches, and breakout sessions given by the likes of CEO Mark Templeton, SVP Desktop and Cloud Division Sudhakar Ramakrishna, new SVP of the SaaS division Chris Hylen, and Sampath Gomatam, VP & GM of Real-Time Collaboration at Citrix.

At these events we get exposure to all of Citrix's major business areas, with breakouts provided to us this year on specific products related to collaboration, mobility, and Windows as a Service (WaaS for the uninitiated). We heard much about Citrix's focus on mobility via its

virtualization technologies, with *XenMobile, XenDesktop*, and similar products that are designed to provide seamless access to applications and data from any device and any operating system, and got a deep dive review of existing tech (*GTM, Podio*), some pricing actions on GoToMeeting, and presentations of coming collaboration technologies.

Among those new collaboration technologies are two new concept-test, free-to-try services. The first, Project Zeus, is a pass at designing a service that encourages ad hoc types of interactions, such as simple, download-free, browser-based video conferencing and screen sharing initiated from a Presence engine that also supports text chat. Zeus supports up to six video conferencing attendees per session. While Citrix quietly introduced Presence capabilities in Podio a few months ago, this is

the first time Presence has been placed into one of its conferencing-oriented offerings. What's missing? Mobile clients. Right now the **Windows / Mac / Android** (but not iOS) offering is in what could be called a pre-beta mode. Access to Zeus is free.

Citrix also showed off a second concept-test: a new **iPad** whiteboarding application called *Talkboard*. Talkboard lets multiple users sketch together and collaborate with a color palette and simple set of colors. Like Zeus, Talkboard is in development mode, but the app is available for [free from the Apple apps store](#) to play with and provide feedback. What's missing? A Windows client. Along the same vein of collaboration, the company described to us some of its plans based on its recent acquisition of **Byte Squared,** a former OEM partner on its *ShareFile* service. Byte^2 provides the ability to view, edit, and create Office-compatible documents on mobile devices. No ability to view a PowerPoint preso on Talkboard and mark it up yet — but you can see the potential.
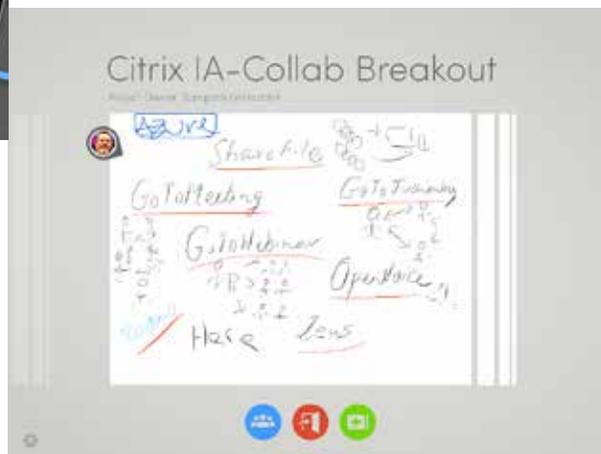

Talkboard Page Drawing

capabilities, such as recording and number of attendees (6 maximum vs. up to 25 with standard GoToMeeting). GoToMeeting Essentials starts at $19 per month (or $16 per month for an annual subscription) without recording, and $39 per month if a customer wants to add recording of meetings.

Finally, Citrix mentioned to us it has quietly introduced *GoToMeeting Essentials*, an "entry" version of GoToMeeting that limits certain

Talkboard Session with Presence Icon

What Alan and Andy think: Expecting overall revenues of almost $3 billion for its fiscal 2013, Citrix continues to grow at a steady clip and boasts impressive progress

in all of its areas of business. (A subset of that overall revenue is comprised of revenues from a surprisingly large amount of minutes of audio and web conferencing it reports under NDA; the company claims its web conferencing revenue growth is twice the "hosted stand-alone" web conferencing industry average — a number that we cannot argue with.) Templeton likes to describe how Citrix is addressing mobile work styles through its technologies, thus promoting better "workforce engagement, workplace redesign, and workflow transformation."

In a refreshing change for Citrix (we hear encouraged by its new SaaS SVP Hylen), Zeus and Talkboard are each barely out of the lab and being thrown against the wall like spaghetti, with the hope of seeing which pieces will "stick" as the company gathers feedback and data from real users. It appears to us that Citrix is trying to determine what users like, is there enough value to make these stand-alone offerings, or should their features be morphed into existing offerings. Our two cents? Zeus could naturally resonate as an entry level, sub GoToMeeting offering — or, more ambitiously, as a presence-enabled, high-quality, ad hoc audio / video / web conferencing service poised to give **Skype** a run for its money — and give SMB's that are still using consumer IM services a business-quality alternative.

Talkboard, on the other hand, is a clever whiteboarding capabil-ity that could go in any number of directions: 1) functioning as an added feature (like HDFaces) to GoToMeeting / GoToWebinar / GoToTraining, or 2) serving as an ad hoc whiteboarding capability for mobile col-laboration. The GoTo family of services has had limited annotation capabilities for a long time, and no real way to save the content other than via recording. Putting Talkboard into GoTo would provide additional product

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differentiation and the continued ability to whittle away at more expensive group and desktop video conferencing endpoints. The incumbent group video conferencing vendors have struggled with how to add whiteboarding in an ergonomically reasonable approach, while even the whiteboard vendors like SMART et al (and there are many others) have had mixed success in driving whiteboarding in corporate markets. Maybe giving users a handy, highly functional annotation tool accessible from their own personal devices and made viral will be the key (when was the last time you were invited to a SMART Bridgit session on your iPad)?

We like the look and feel of Talkboard, though some additional UI work is called for and we find its desire to ask the user to give it access to **Facebook, LinkedIn, Twitter** or **Google+** contacts a bit disconcerting. Sometimes you just want to collaborate, not barrage your friends and workmates with invitations from social media platforms.

Overall, look for Citrix to continue to tout its mobility story. Imagine this scenario using your iPad: Open your PowerPoint presentation (Byte Squared) from your virtual file share service (ShareFile). Using Presence (Zeus), invite others to participate in a real-time video / web conference (HDFaces) with touch-driven annotations (Talkboard). Save the marked-up version in your team process (Podio). You get the picture. Citrix has all the pieces, and it should be coming soon to a mobile device near you.

Blue Jeans Network Raises a Whopper

Andrew W. Davis, andrewwd@wainhouse.com

Almost four-year-old **Blue Jeans Network** has closed a whopping $50M round of funding, bringing the total amount of venture capital invested in the company to $100M. It's been only a little more than two years since the company first launched its service, and my how things have changed. BJN now has over 2,000 paying business customers and has been used by over 3,000,000 different meeting participants since the service went commercial. According to CEO Krish Ramakrishnan, more than 73 of F100 companies have used the service as well. So, you might ask, what will they do with another $50M? It looks like the primary use will

be to build a worldwide brand, starting with Australia and Western Europe. Blue Jeans is not going to be your white label service, any more than **Pepsi** or **Coke** would put their sugar water into a can with someone else's label. In addition to branding and sales force expansion, the company is likely to use the money to strengthen its R&D program and continue adding features and functions to the service. Reminder: while BJN first disrupted the MCU market, it more recently introduced a browser-based client, thereby threatening the endpoint market as well (along with **WebRTC**).

What Andrew thinks: Clearly, Blue Jeans investors see an opportunity to build a significant service provider company based on new technology and a new business model. Blue Jeans got lots of people excited two years ago based on 1) a meet-me video bridge in the sky; 2) interoperability between industry-standard systems and **Skype**; and 3) a simple subscription model with a very-easy-to-use interface for anyone dialing in from any device. In my own experience, the service was also high quality and highly reliable. While these video facets aren't likely to go away, the company is subtly morphing from a video bridging service with top notch interoperability to a full collaboration service with voice, video, chat, and data conferencing. Its real target isn't your local video bridging provider, it's **WebEx**. The video guys are just caught in the crossfire. Creative destruction is fun when you're on the side accumulating wealth, not so much when you're on the side being annihilated.

News in Brief

- **Blue Jeans Network** isn't alone in raising cash lately. **FuzeBox** has raised another $26 million; in this Series B round **Hermes Growth Partners** are leading and existing investors **Index Ventures, Khosla Ventures** and **Insight Venture Partners** are joining in the party. Grand total since founding some 4-5 years ago: $46 million. The company has added a slew of new, former **Yammer** management: David Obrand is stepping in as new CEO (was Chief Customer Officer at Yammer). (See People & Places for other new faces).   Former CEO Jeff Cavins (**Loudeye, Exodus Communications**) is moving on at this point.

- The cloud is drawing bucks and also — contrary to what many feared when it reared its ugly (or charming, depending on your perspective) head — more channel programs. Taking a page from some video, web conferencing, and webcasting players, **StarLeaf** announced last week a Managed Services Provider Program. The new program includes white-labeling of a business video software client and all end user communications. Partners and service providers can access StarLeaf's web portal, which will let them offer local and global coverage, central manage- ment, and provisioning of endpoints, directory services, multi-point conferencing, meet me services, and the like.

- Here first and now going head-to-head with StarLeaf and others, another behind-the-scenes, "let's help everybody manage everything" provider that focuses on service providers, Atlanta-based **AGT** announced a new desktop video conferencing client, as well as upgrades to its *EncoreB2B* platform. Rounding out the platform's existing web browser client and iOS / Android mobile app, the latest release shows off a new desktop software client, redesigned UI's with cross-platform commonality, e-mail and URI dialing, and HD video (720p) and content collaboration (720p and H.264) on PC's. In addition to a major design and capabilities overhaul, its services are available for service providers to white-label and resell.

Encore Desktop Client

- **Glowpoint** has released *Glowpoint Now,* a reservationless video conferencing service that lets its customers start or join meetings from a web browser, including IE, Chrome, and Firefox. Taking advantage of the Glowpoint Cloud, the service works with both Lync and Jabber, includes performance and trend reports, and allows for partner branding and support.

- **SMART Technologies** announced a new cloud-based software platform called *SMART amp,* designed to enable learners to collaborate with teachers and peers from virtually any Internet-enabled device. Details were scant, as the company says it is coming in early 2014, but it's clear that SMART is doing two things: 1) jumping on the BYOD bandwagon and hoping to differentiate itself by addressing mobility in a whole new way — learners indeed do work on a multitude of devices — as we regularly witness our kids moving from school computer lab to iPad to PCs and Macs at home; and 2) this isn't your father's SMART anymore. The company that has deep roots in appliances and PC-based software is finally getting its "head into the cloud." Makes sense — and as they say, stay tuned for details. Meanwhile SMART also made several other announcements this week, including new site licenses at a lower cost for its Notebook collaborative learning software. The idea is to get schools and districts to standardize on Notebook. Thus new pricing for Notebook software classroom licenses will begin 1 November, 2013, and new site license pricing will be available beginning 15 January, 2014. Other changes relate to new software maintenance plans and new licensing programs for working with third-party interactive hardware manufacturers.

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- **Google** has introduced Live Q&A to its *Google Hangouts on Air* service. Q&A lets those hosting webcasts of group video calls solicit questions from up to a million concurrent viewers (their claim), select and answer questions live, and timestamp answered questions when recording the sessions to YouTube. The capability works fully (with interactivity) on the desktop but in view-only mode on Android.

- Ten years later **Skype** — which has become the **Xerox** of consumer-grade video conferencing (go make me a Xerox copy, please) has announced it is celebrating its ten year anniversary. If you've Skyped even once, you contributed to the more than 1.4 trillion minutes spent audio & video conferencing over the public Internet during the past decade. This year its users have spent a combined two billion minutes a day using the platform. And there is no shortage of stories about consumers watching babies being born, getting married, or connecting from the bottom of the sea to the top of Mt. Everest over Skype.

- The noise about white labeling and branding is reaching a crescendo. **Vidyo** and **Arkadin** have announced a white label channel offering, which will allow Arkadin's global channel partners to resell the cloud-based ArkadinVideo service. Based on the VidyoWorks platform and Arkadin's platform and service, the solution has an editable interface that allows channel partners to add their own logo and branding. Sound familiar? At the same time, Arkadin announced an alliance with **Intelisys** to market Arkadin's complete portfolio of audio, web, and video conferencing and Unified Communications services through its sales partners. Intelisys is a leading Master Agency distributor to telecom network services providers, and has business engagements with more than 60 of the world's telecom carriers, cloud services providers, and technology partners.
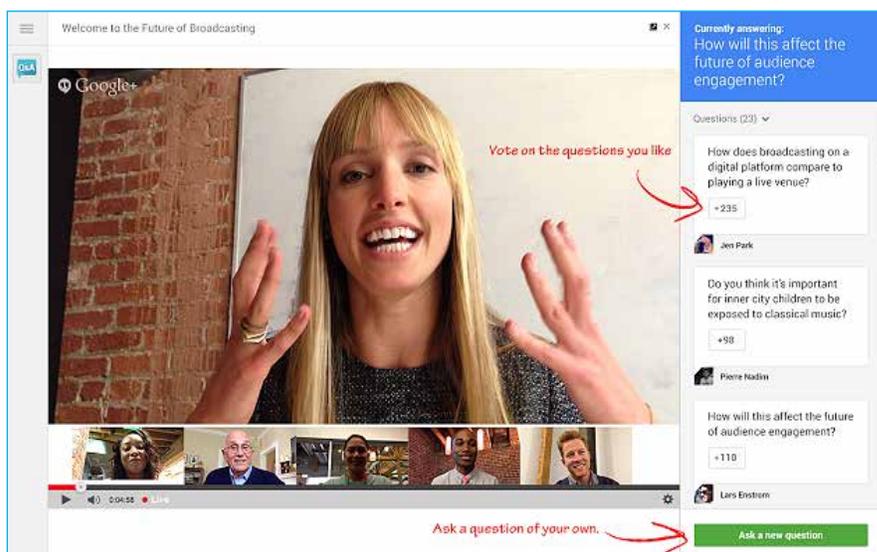
Google Hangouts On Air with Q&A

- **Rimage** buys **Qumu** (2011). Rimage absorbs Qumu. Rimage stays the course even as initial sales from its acquisition fail to meet expectations, bringing in new executives with an eye on cleaning house and rebuilding Qumu's sales pipeline. Now, two years later, Rimage says you can't get enough of a good thing, as it provides some important information: year over year revenue growth guidance of 70%, much of that attributed to Qumu. So come this month and Rimage rebrands itself Qumu. On November 7 its NASDAQ exchange listing will change from RIMG to QUMU. You can guess who will ring the opening bell that day.

- **Barco** has launched a "10 days of Corporate AV" program, under which it will be making product announcements between 18 September and 27 September. Among those announcements, several of its new models of projectors will integrate with its *ClickShare* technology wirelessly. Some of you may have seen ClickShare at the **Wainhouse Research Summit, ISE, InfoComm,** or via your channel providers.

- Finally, **Polycom** announced week before last a $400 million buyback of its outstanding shares. The company will fund the program with $150 million in cash and a $250 million loan, and use a "Dutch auction" approach where a range of prices (between $10 and $11.50 per share) is made available to sellers, and the company will then make purchases on the open market or in privately negotiated deals. In an unrelated channel announcement, Polycom also announced that **Solutionz Conferencing** will resell the *Prime Call Cloud MeetMe* service using the Polycom RealPresence platform. This MeetMe service joins several others offered by Solutionz, including a two-endpoint video service for teleworkers and a Skype-to-standards-based systems service called *Prime Call Gateway.*

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Video Conferencing Disruptive Innovations Ahead

Whether you live in Bloomington, MN, Milwaukee, WI, or Fargo, ND and can attend in person — or wish to join via webinar — we have an event for you. Join WR's Andrew W. Davis, **Acano** CEO OJ Winge, **Amplatz Children Hospital's** Jason Albrecht, **Pexip** CTO Hakon Dahle, and **Vidtel's** CEO Scott Wharton for a combo seminar / webinar event to be located on-premise at sponsor **Video Guidance** offices and online. The on-premise event will take place **Wednesday, 9 October, 11-1 CDT**, and the webinar will run from 11:15 AM-12:30 CDT. Attendees will be able to experience hands-on demonstrations and share idea with their peers, and learn about software-based solutions, WebRTC, video-as-a-Service, user adoption programs, and mobile access.   Registration information is available here.

VIDEO GUIDANCE
strategic visual communications

Seminar/Webinar: Wednesday, 9 October, 11-1 CDT

Moderator:
Andrew W. Davis
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Amplatz Children's Hospital

People & Places

Know someone in the industry who changed jobs? Jump into a new role yourself as vendor, end user, or channel partner? Email us at wrb@wainhouse.com to share the good news.

- Arkadin, **Didier Jaubert,** Chief Partnership Officer

- Community Professional Loudspeakers, **Steve Johnson**, CEO

- FuzeBox, **David Obrand**, CEO; **Mary Pecka,** Chief Customer Officer; **Jonathan Grant,** VP of Finance; **George Ell,** VP & General Manager, EMEA

- Internet2, **Glenn Lipscomb,** Senior Director, Industry Programs and Development

- SeeVogh, **R. Paul Singh,** Advisory Board

Didier Jaubert, Arkadin

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George Ell, FuzeBox

Glenn Lipscomb, Internet2

R. Paul Singh, SeeVogh

New Studies from Wainhouse Research

For information on WR studies and subscriptions, visit www.wainhouse.com or contact sales@wainhouse.com

▸ Distance Education & e-Learning

Vendor Profile — Bloomfire
Profile and analysis of Bloomfire's social intranet / e-Learning / sales enablement platform
Co-founded by video conferencing industry veterans, Bloomfire is an e-Learning and sales enablement Enterprise Social Network platform that provides for inward-facing or outward-facing creation, posting, and community building related to content. It finds itself at the intersection of real-time communications, Learning Management Systems, team workspace, and cloud file sharing services. This profile analyzes what's behind its early success and explores possible directions.

Market Forecast – Worldwide Total Addressable Market – Higher Education Classrooms and Offices 2013
Market Review for Learning Spaces and Offices in Tertiary and Post-Secondary / Non-Tertiary Education
This total addressable market study covers the worldwide classroom and educator office market for buyers of collaborative educational technologies in higher education and post-secondary / non-tertiary educational markets. This industry-first exercise estimates total numbers of offices as well as learning spaces by three categories: standard classrooms, lecture halls, and auditoria. It also assesses numbers of classrooms and offices by region and sub-region.

▸ Audio Conferencing

2013 Conferencing Service Provider Reviews - Europe
Review & Analysis of 9 Local CSPs Operating in Western Europe)
This study on local providers is intended to offer insight into how each provider approaches the market, what distinguishes them, and in which partnerships and relationships they are engaged. This is not meant to be an exhaustive or accurate list of the total number of providers in Western Europe, but rather a study of the most prominent and important providers.

Conferencing Service Provider Statistics (SpotCheck) – Q2 2013
Calendar Year Q2 2013 (April > June)
This study details the quarterly trends of the worldwide collaboration service provider (CSP) market for calendar year Q2 2013 – April through June 2013. Data is provided for audio and web conferencing services. Our goal is to collect and provide CSP revenue and volume data on a quarterly basis from local markets. This report provides historical data including attended and unattended audio conferencing revenue, minute volume, and average sales prices along with web conferencing revenue. Data from approximately 35 CSP's is contained in this report.

▶ Group Video Conferencing

SpotCheck – Video Conferencing Endpoints & Infrastructure Q2-2013
Worldwide and regional unit sales, revenues, and market shares for videoconferencing endpoints and infrastructure technologies, with breakdowns by type of product (multi-codec, single-codec, executive or video MCU and other video infrastructure)

Vendor Profile – Polycom
This vendor profile provides information, insight, and WR's opinions on Polycom, which has played the role of video conferencing industry leader for well over a decade. The document provides a brief overview of the company's product strategy and the challenges it faces moving forward.

▶ Streaming & Webcasting

Market Forecast – 2013 Enterprise Webcasting Services Market Sizing and 5-Year Forecast
Market Sizing and 5-Year Forecast of Revenues for Vendors Providing Enterprise Webcast Services
This study focuses on the worldwide market for providers of managed enterprise webcast services market. The market encompasses the revenues generated from the turnkey production of online events by service providers on behalf of corporate, education and government sector clients. This forecast no longer includes revenues for hosted "self-service" event platforms, which are measured as part of a separate forecast for the streaming products market.

Vendor Profile – Livestream
Hosted platform for live webcasting expands into appliances
Livestream, one of the pioneers in offering a cloud-based platform for live webcasting, in the past year has introduced a line of video-switching equipment with the aim of expanding its beachhead in the enterprise market. This report highlights the company's suite of hosted and hardware-based product offerings. It also provides insight on the company's strategy for expanding its presence in the corporate sector and its aspirations for forging viable partnerships with resellers focused on the enterprise.

▶ Personal & Web-Based Conferencing

Market Forecast – 2013 Web Conferencing Suppliers Worldwide Market Sizing & 5-Year Forecast
This study focuses on the worldwide market for suppliers of web conferencing on-premise products and hosted services / SaaS. The specific web conferencing offerings covered include on-premise client / server software, hosted services, and web conferencing sold as part of a collaboration suite. Since data for this study was collected (or estimated) on the supplier level, the resulting numbers do not include channel mark-ups (see WR's CSP services studies for sizing that includes CSP provider margins.)

Market Forecast – 2013 Worldwide Web Conferencing Service Market Size & 5-Year Forecast
Market Sizing & 5-Year Forecast for Worldwide and the Regions of North America, Latin America, Western Europe, and Asia Pacific
Focuses on the services that are marketed to conduct personal on-line conferencing and collaboration worldwide. Provides market sizing and five-year forecasts for hosted web conferencing. Additionally, provides market ranking by provider.

▶ Unified Communications

2013 European UCaaS Market Forecast
Market Sizing and 5-Year Forecast of the European UC as a Service (UCaaS) Market
This document provides an updated description of the current state of the European UC as a Service (UCaaS) market and provides a five year forecast. This forecast aggregates data across all regions and provides a description of the current state of the worldwide market, assessing current trends, identifying risks and opportunities, and providing assistance on market approach, services and pricing.

2013 North American UCaaS Market Forecast
Market Sizing and 5-Year Forecast of the North American UC as a Service (UCaaS) Market
This document details the current state of the North American UC as a Service (UCaaS) market and provides a five year forecast. This forecast includes an assessment of current trends, risks and opportunities, and services and prices