

Global Business Communications Market Gains Momentum during the Second Quarter of 2010 Newly-Integrated Avaya in #1 Position for Call Control Seats Shipped, While Cisco Leads in Terms of Total UC Revenues

Parsippany, NJ September 17, 2010 -- According to new research contained in industry analyst firm IntelliCom Analytics' *IntelliCom Market Performance Dashboard Second Quarter 2010 Report*, global Business Communications market revenues increased by 8.3% during the second calendar quarter of 2010 compared to the same period a year earlier. These figures are based on total manufacturer product revenues associated with premise-based communication platform hardware, software applications, and end user devices.

"The global Business Communications market appeared to gain some momentum in the second quarter of 2010 after returning to positive growth in Q1," stated Frank Stinson, Partner and Senior Analyst at IntelliCom Analytics, *"but we still have a long way to go until we see the market expand beyond pre-recession levels."*

Avaya posted stronger results in its second full quarter as an integrated firm including the acquired Nortel Enterprise Solutions assets than it did in its previous quarter. The report found that Avaya was the leader for the quarter in terms of new Call Control user seats shipped, which are the more contemporary, software-Based equivalent of the traditional line shipment metrics that have been

previously used to calculate leadership in the TDM world. *"Avaya bounced back nicely this past quarter following some disruption in Q1 volumes that resulted from Nortel customer uncertainty associated with last year's bankruptcy auction,"* added Stinson. *"Although they now trail market leader Cisco by just 2 ½ points in terms of aggregate product revenues across all UC applications, hardware and devices, Avaya will face intensifying competition from both Cisco and Microsoft as they try to take additional share going forward."*

Unburdened by the market uncertainty and integration challenges of its largest traditional competitors, Cisco continued to lead the overall market with more than 22% of total manufacturer product revenues across all voice platform, device, and UC software application categories, representing a 31% increase compared to the same period in 2009. *"Cisco was highly motivated in Q2 to put in a strong performance to close out its fiscal year while also capitalizing on any competitive uncertainty in the market to increase its share and UC installed base. We expect this battle to remain tight in upcoming quarters now that Avaya has had the opportunity to fully articulate its integration roadmap and Microsoft looms on the horizon with big aspirations in the enterprise voice market for its upcoming Lync 2010,"* explained Stinson.

The *IntelliCom Market Performance Dashboard* is a quarterly market tracking service that measures vendor performance across all layers of the Business Communications value stack. Key areas of focus include core telephony software, platform hardware, end user devices, and Unified Communications applications.

About IntelliCom Analytics

IntelliCom Analytics is a professional services and business research provider focused on the rapidly evolving intelligent communications market. Tight integration between custom consulting initiatives, research databases and market transformation tracking programs gives IntelliCom the ability to deliver highly differentiated client value that blends in-depth analysis with holistic perspectives on the dynamics that are shaping the industry. For further information, visit www.intellicom-analytics.com.

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