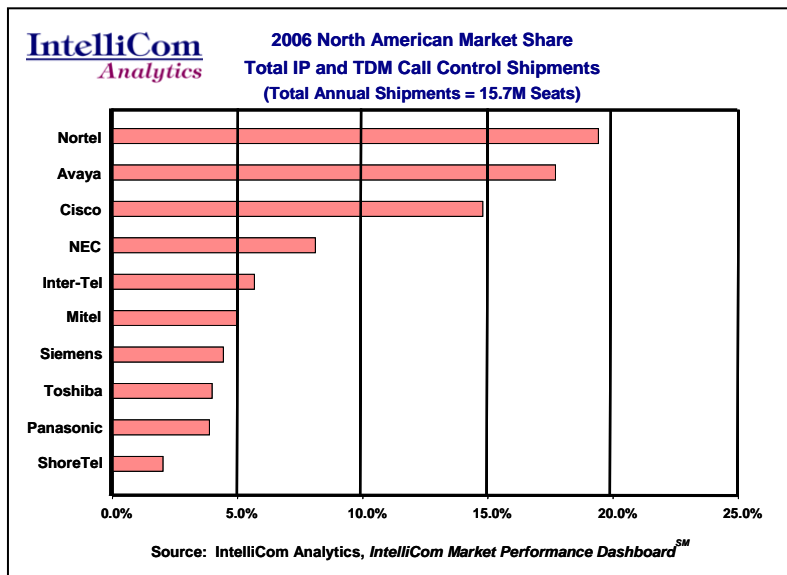




Surging IP Telephony Adoption Drives Strong Growth of Enterprise Call Control Software Shipments *Nortel, Avaya and Cisco in a Three-Way Battle for North American Market Supremacy*

UNION, NJ -- (MARKET WIRE) -- 02/27/07 -- According to new research from industry analyst firm IntelliCom Analytics, North American shipments of Call Control software licenses -- or "seats" -- grew by **9.7%** in 2006 over the previous year. This growth in license shipments for the software that enables the features and functionality of Enterprise Communication platforms was driven by broad-based adoption of IP Telephony at a time when traditional TDM systems are increasingly being phased out by vendors. During 2006, sales of Pure IP systems -- those that are primarily equipped with IP endpoints -- surged **54%** year over year, while corresponding TDM system sales declined **30%** over the same period.



IntelliCom measures activity in the Enterprise Communication market based on software license seats rather than traditional hardware ports. This shift in measurement metrics follows the previously announced findings from IntelliCom's Market Dashboard research program that documented the rapid evolution of the Enterprise IP Telephony market to a software-centric delivery model.

"Our research has demonstrated that Enterprise Communications is clearly undergoing a broad software transformation from both an architectural and business model perspective," explains Frank Stinson, director of IntelliCom's Market Dashboard and Market Performance Dashboard research programs.

IntelliCom also found that three vendors, **Nortel**, **Avaya**, and **Cisco**, accounted for more than half of total 2006 IPT and TDM shipments in North America. *"Nortel and Avaya's long-*

long-standing battle for North American market leadership raged throughout 2006," adds Stinson. *"Whether this continues as a two-way contest in 2007 remains to be seen, given that Cisco has now broken through into the top tier of providers and is moving forward with a very strong growth trajectory."*

About IntelliCom Analytics

IntelliCom Analytics provides expert market research, in-depth field intelligence, and custom consulting services on virtually all aspects of the Business Communications industry, including the market transformations occurring in Technology, Software, End User Applications, Services, and Go-to-Market models.

IntelliCom's Market Dashboard and Market Performance Dashboard programs provide continuous client access to global research findings, market performance results and projections, expert analysis, and competitive assessments focused on Software Transformation, Traditional and Unified Communications Applications Attachment, Converged/IP Telephony Infrastructure, Terminals and Devices, and Services model evolution. For further information, visit www.intellicom-analytics.com.

CONTACT

Frank Stinson
908-686-4066
fstinson@intellicom-analytics.com