Abstract (Summary)
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Full Text (578 words)
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Cisco Systems Inc. made its name with devices that connect corporate computers. Now it is stepping up efforts to link people more productively.

The Silicon Valley company Wednesday is expected to unveil a slew of products aimed at business users who want to collaborate on projects. The offerings include Cisco WebEx Connect, an online service designed to integrate...
tools such as instant messaging and Web conferencing with conventional business software and newer Internet applications such as blogs and wikis, which are collaborative Web sites.

Cisco plans to release software and hardware upgrades for what it calls "unified communications" -- products that exploit Internet-based phone technology -- and for a high-end video-conferencing system known by the term telepresence. It also is supporting the use of software widgets -- small, downloadable programs that usually are designed to perform one specific function.

The San Jose, Calif., company puts the market for such collaboration products at $34 billion and has designated it as an important driver of growth. But targeting the field requires taking on some big competitors -- including Microsoft Corp., Google Inc. and International Business Machines Corp. -- as well as changes in the company's role as a hardware provider.

During a recent presentation to industry analysts, Chief Executive John Chambers said corporate customers have long purchased Cisco's networking equipment to just move bits of data. Now Cisco has an opportunity to sell more-specialized gear and software to improve communication and efficiency, he said.

"Over the last two to three years there's been this shift in how people are starting to communicate online," said Doug Dennerline, general manager of Cisco's collaboration-software group. "Part of the benefit is the increase in speed for decision making. What used to take weeks or even months now takes days."

A cornerstone of Cisco's push into the collaboration market is WebEx Communications Inc., which the networking company acquired for $3.2 billion in 2007. The company has since acquired a handful of other companies aimed at adding more features to its collaboration offerings. Over the past month, Cisco acquired email-and-calendar start-up PostPath Inc. and Jabber Inc., an instant-messaging company whose founders helped develop technology used by Apple Inc.'s iChat and Google's Googletalk.

As Cisco increases its emphasis on software, the company must build a reputation among corporate customers. Mike
Gotta, an analyst with the Burton Group, a Midvale, Utah, market-research firm, estimates that it will take Cisco three to five years to establish itself in the market.

"Cisco is a stranger to this space," said Mr. Gotta. "Right now, many corporate customers are saying, 'Who is Cisco and why trust them?'"

Another challenge, Mr. Gotta said, will be for Cisco to avoid introducing products that rivals already sell. On the other hand, he said, the company's relationship with buyers of its hardware may provide an advantage over companies such as Google that haven't sold directly to many companies.

WebEx Connect is designed to integrate with existing software-communication services and can be customized for specific users. It works with a piece of personal-computer software that can be downloaded free, but Cisco plans to charge companies $7 a month per person to use the service.

The add-on widget programs are being developed both by Cisco and other companies; a Cisco spokeswoman said 80 to 100 software developers already are working on developing widgets. One example, she said, would be a widget that displays voice mails a user has received in a small window on their PC screen.

Indexing (document details)

Subjects: Software industry, Conferences, Competition

Companies: Cisco Systems Inc (NAICS: 334119, 511210)

Author(s): Bobby White

Document types: News


Source type: Newspaper

ISSN: 00999660

ProQuest document ID: 1560195681

Text Word Count: 578