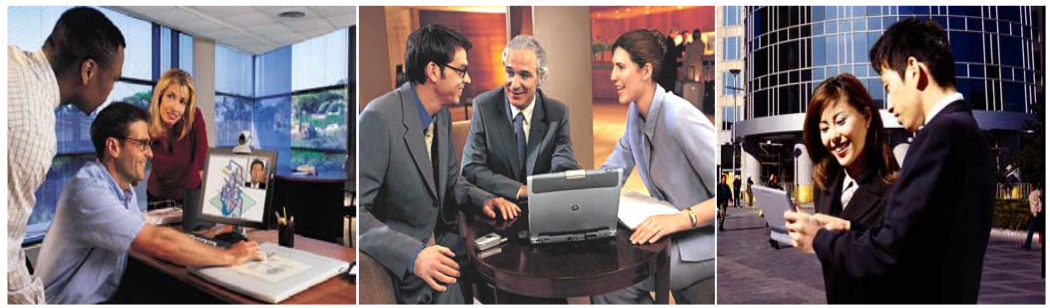
Lucent Global Business Partners

The Right Markets
The Right Technology
The Right Partners

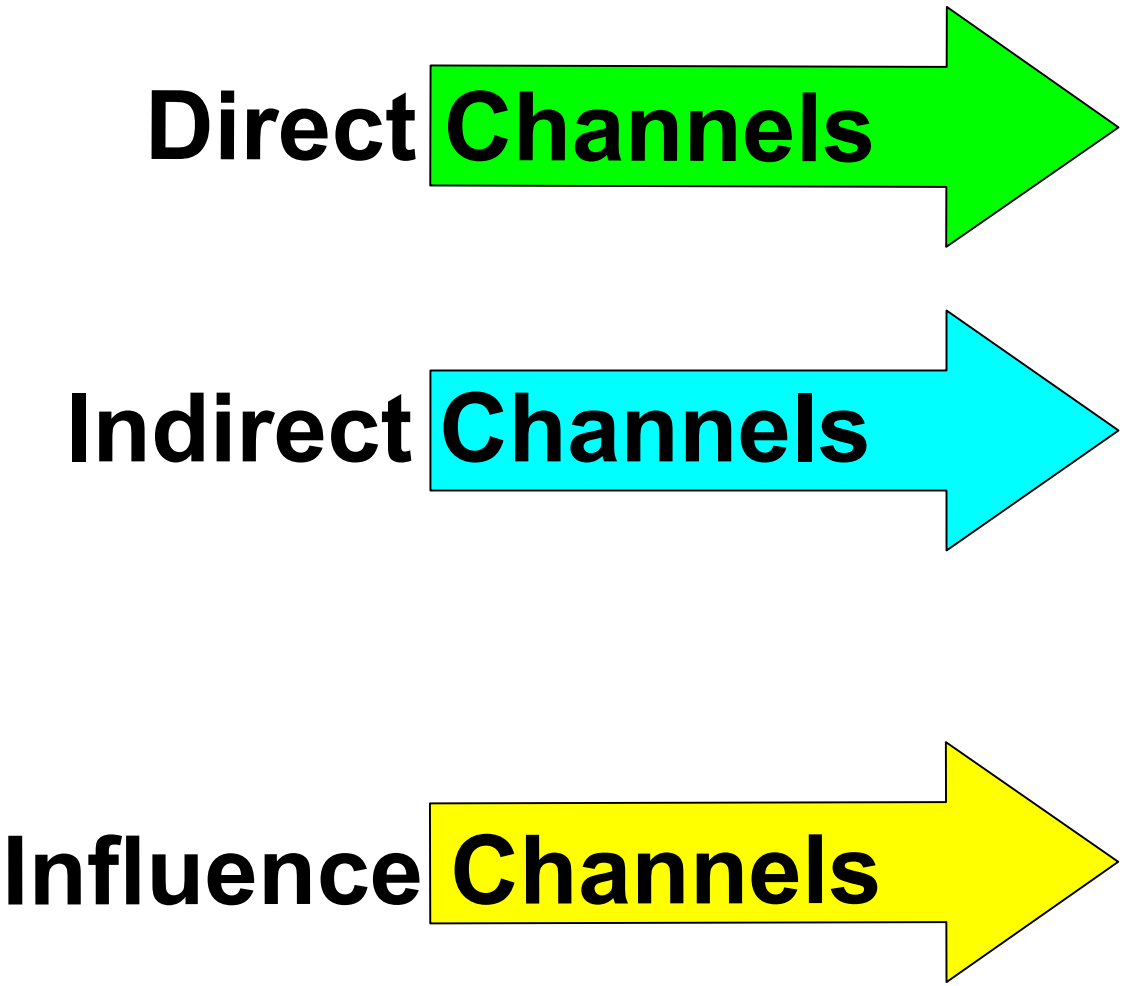


Ed Graham

Group Sales Vice President
Global Business Partners

Lucent Technologies
Bell Labs Innovations

Lucent's Multi-Channel Strategy



- Direct Sales
- Lucent.com

- Solutions Partners
- Strategic Alliances
- System Integrators
- Outsourcers/MSP's
- OEM's

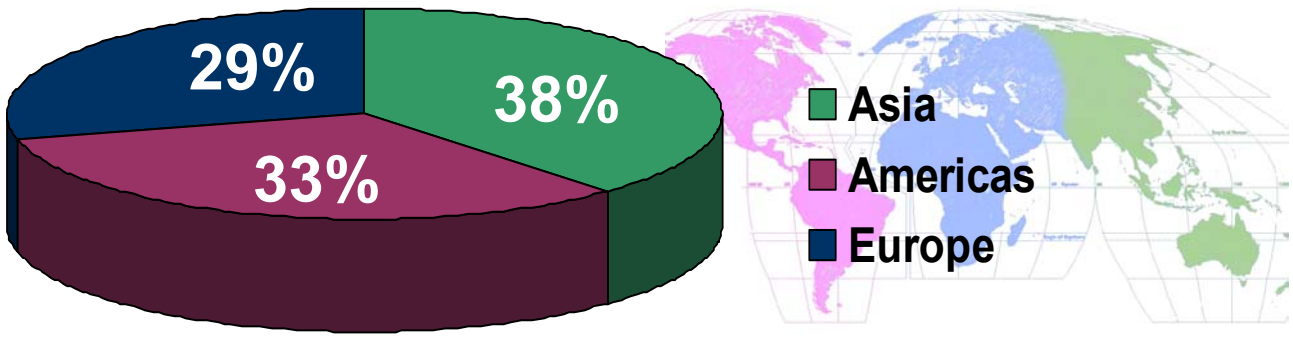
- Strategic Alliances
- Analyst Community
- System Integrators
- Associations/ Consultants

Global Business Partner Sales Strategy

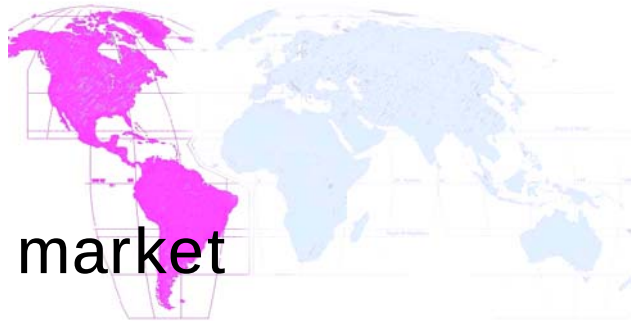
- Incrementally grow Lucent's business by extending sales reach and service capability and capacity into existing and new markets
- Increase customer and partner satisfaction
- Evolve Lucent's indirect channel programs and business proposition, both globally and locally
- Selectively recruit new product, vertical, enterprise, IP dominated partners
- Create proactive go-to-market programs around Lucent's products and services

Snapshot Of Lucent's Global Business Partner Program

- 200 + partners worldwide in 50 countries
- Three key regions – Asia, Europe and the Americas
- Revenue split roughly equal among regions
- 14 significant PR win announcements in 2003
  - Guangdong Eastern Fibernet Company in China (SDH/DWDM)
  - PG&E, Nevada Power and MD-utility (DMX)
  - Multikabel in the Netherlands (iMerge® Gateways)



Regional Snapshot: The Americas



- ***Market:*** Sophisticated, competitive market
- ***Partner View:*** Grow with key partners and expand the number of resellers in specific technology areas
- ***Technology Play:*** Metro optical, network management, security, small-scale switching and storage
- ***Hot Vertical Markets***: Government (local/state/federal), independent telcos, enterprises, utilities

D-tel	***LightRiver***
Two announcements (Valley Telecom, Cochrane) for iGEN switch trials.	Making inroads with DMX to utilities market, including Pacific Gas & Electric, Nevada Power and other energy companies.

Regional Snapshot: Asia



- ***Market:*** Fragmented
- ***Partner View***: Fill in regional gaps by partnering with knowledgeable local/global companies
- ***Technology Play:*** Mobility build-outs, fixed wireless, metro optical, security, network management
- ***Hot Vertical Markets***: Local government/US government base upgrades, utilities, broadband access

Symbio

Distribution deal with leading Australian reseller to sell and support Lucent EXS Converged Services platform and voice switching products in Australia and Asia.

Shanghai Tiantong Telecommunications Equipment Companies

Delivered two contracts with Guangdong Eastern Fibernet Company to expand network with Lucent optical equipment (SDH & DWDM).

Regional Snapshot – Europe, Middle East And Africa



- ***Market:*** W. Europe, E. Europe, Middle East
- ***Partner View***: Focused on building quality program with geographical leaders and technological experts
- ***Technology Play:*** Broadband, wireless back-haul, metro optical
- ***Hot Vertical Markets:*** Government, alternative service providers, cable providers

Verysell Telecom

E. European partner and Lucent will deliver the equipment for a high-speed mobile network in Russia for Moscow Cellular Communications.

Imtech Telecom

Delivering Voice over IP to Multikabel, a major Netherlands cable access provider. Imtech installed iMerge gateway for cable TV, broadband internet access and telephony services.

Partner Strategy Focused On Quality

REVENUE

▪ *High revenue, but lower margin as channel becomes clogged with competition* ▪ *End-customer may have less personal support from reseller*	▪ *Higher margins, value-added services* ▪ *High touch w/end-customer* ▪ *Work with strong, qualified partners* ▪ *Strong marketing/sales support*
▪ *Mass channel acceptance/low cost of entry* ▪ *Lack of attention/focus from reseller*	▪ *Adaptable accreditation program to continually improve knowledge* ▪ *Ability to leverage "carrier-grade" Bell Labs advantage and Lucent brand*

LUCENT FOCUS

PRODUCT/MARKET EXPERTISE

Grow revenue with focused partners who have in-depth product knowledge and expertise

Growing Revenues With The Right Markets, Right Technology, And Right Partners

CUSTOMERS	PRODUCTS: Existing	PRODUCTS: New
New	**Customer Acquisition** ▪ Recruit new partners in hot markets ▪ Create truly channel-ready products (easy to modify for new markets)	**Missionary Growth** ▪ High Risk = High Reward ▪ OEM relationships deliver new products and new customers
Existing	**Traditional Market** ▪ Cash Cow Market ▪ Support base of channel program	**Grow & Expand** ▪ Sales growth opportunity ▪ Account Penetration

Continuing To Build The Global Business Partner Program

- Program objectives
  - One face to the partner
  - Recruit new partners to penetrate the enterprise
  - Leverage our Strategic Alliances
  - Accelerate and increase number of accredited partners
  - Operational effectiveness and efficiencies
- Program attributes and details
  - Specialty accreditation programs (building technology practice)
    - Security
    - Storage
    - Network Management
  - Co-marketing program
  - Access to Bell Labs



2004 And Beyond

- Grow channel revenues by double-digits
- Deliver new revenue growth opportunities to Lucent beyond service providers
- Attract and retain the ***right*** partners Lucent that can grow with
- Maintain good business proposition for partners

Global
BusinessPartner
Organization

