

A New Way Of Going To Market
Lucent Partner Program

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Lucent Technologies
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Lucent Technologies
Bell Labs Innovations

A Strategic Imperative

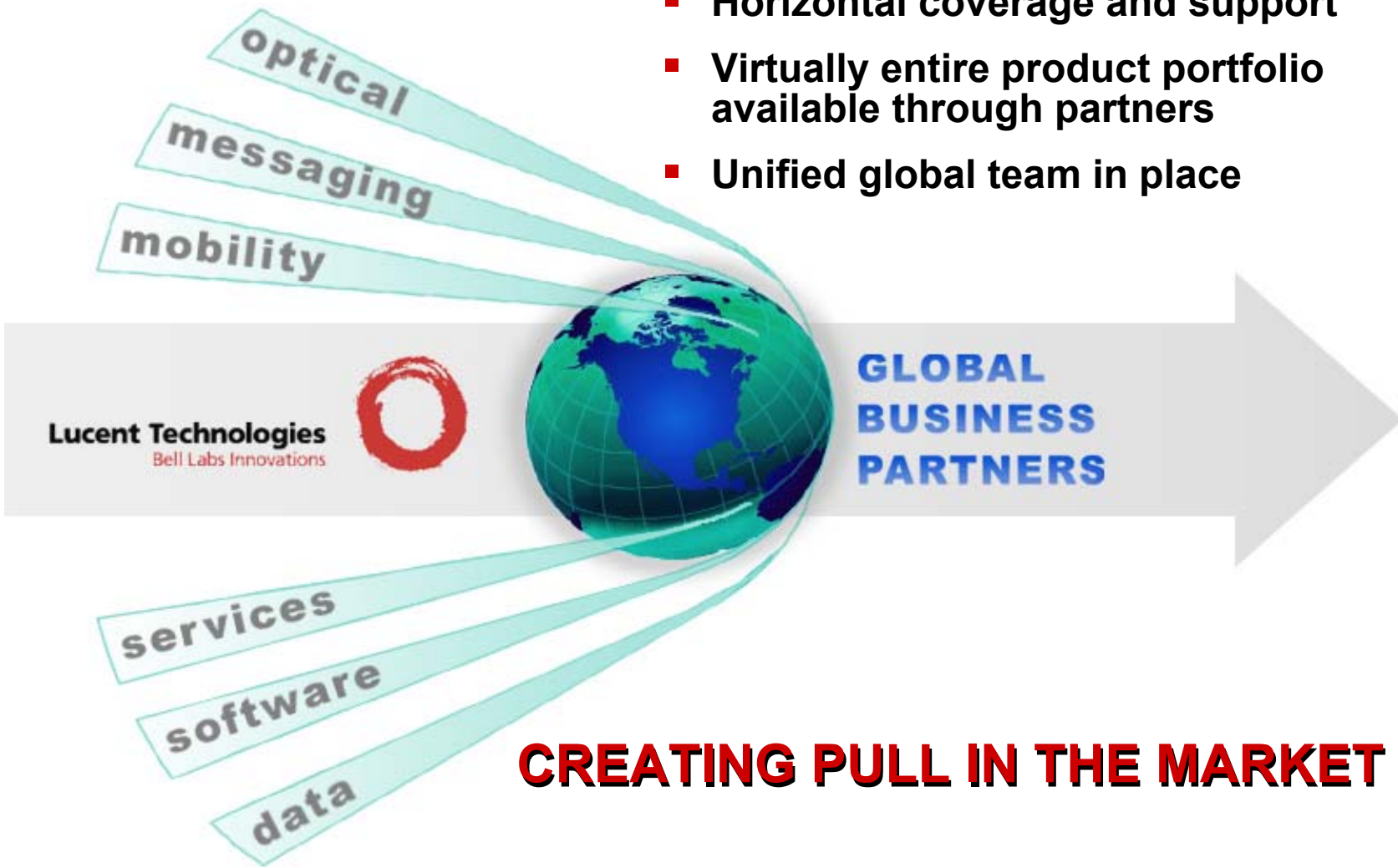


- Realize significant untapped revenue potential
- Improve operating efficiency
- Expand reach and market coverage
- Create joint solutions with market leaders
- Create meaningful *Sell With* opportunities with alliance partners for our direct sales force
- Leverage multiple company sales forces

GLOBAL BUSINESS PARTNERS EXTEND LUCENT'S MARKET REACH AND DRIVE INCREMENTAL REVENUE

Impacts All Facets Of Lucent

- Horizontal coverage and support
- Virtually entire product portfolio available through partners
- Unified global team in place

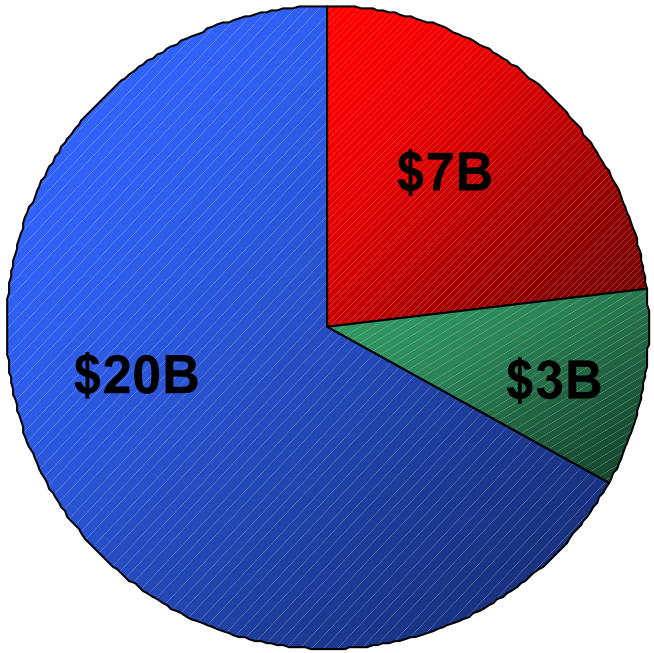


CREATING PULL IN THE MARKET

The Market

Service Providers

- Represents 2/3rds of total Business Partner opportunity
- Service providers both in Lucent focus countries and elsewhere
  - $10 Billion opportunity with smaller service providers in focus countries
  - $10 Billion outside focus countries
- Includes traditional wireline, mobility, cable and alternative operators
- Fragmented opportunity representing 200+ carriers



Business/Enterprise

- Market opportunity for subset of current Lucent portfolio and capabilities that meets the requirements of enterprise customers
- Key opportunities include network software, security/VPN products and network professional services

Government

- Growth opportunities in US at local and state levels; at all government levels outside US

A $30 BILLION TOTAL ADDRESSABLE MARKET IN 2003

Source: Lucent Corporate Strategy, IDC, Gartner, Pyramid Research

Structure: Teaming with Industry Leaders

STRATEGIC ALLIANCE PARTNERS

Joining forces to develop, market and sell integrated communication solutions to SPs and Enterprises

Accenture

Avaya

Cap Gemini / Ernst & Young

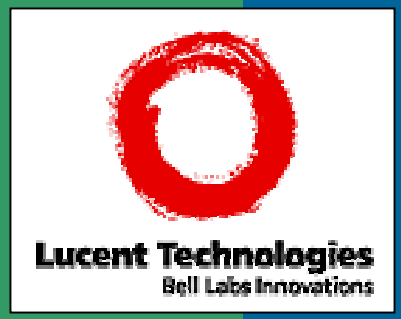
Deloitte Consulting

EMC

HP

IBM

Sun Microsystems



- Increase market effectiveness
- Speed to market and faster cycle times for customers
- Expand value proposition of Lucent offers

BUSINESS PARTNERS

Engaging resellers, systems integrators and distributors to reach customers and markets
Lucent no longer serves with directs sales

Lintas

LightRiver

Tech Data

Teledata

Telthink Network Tech

Coasin

CommNet

D-Tel

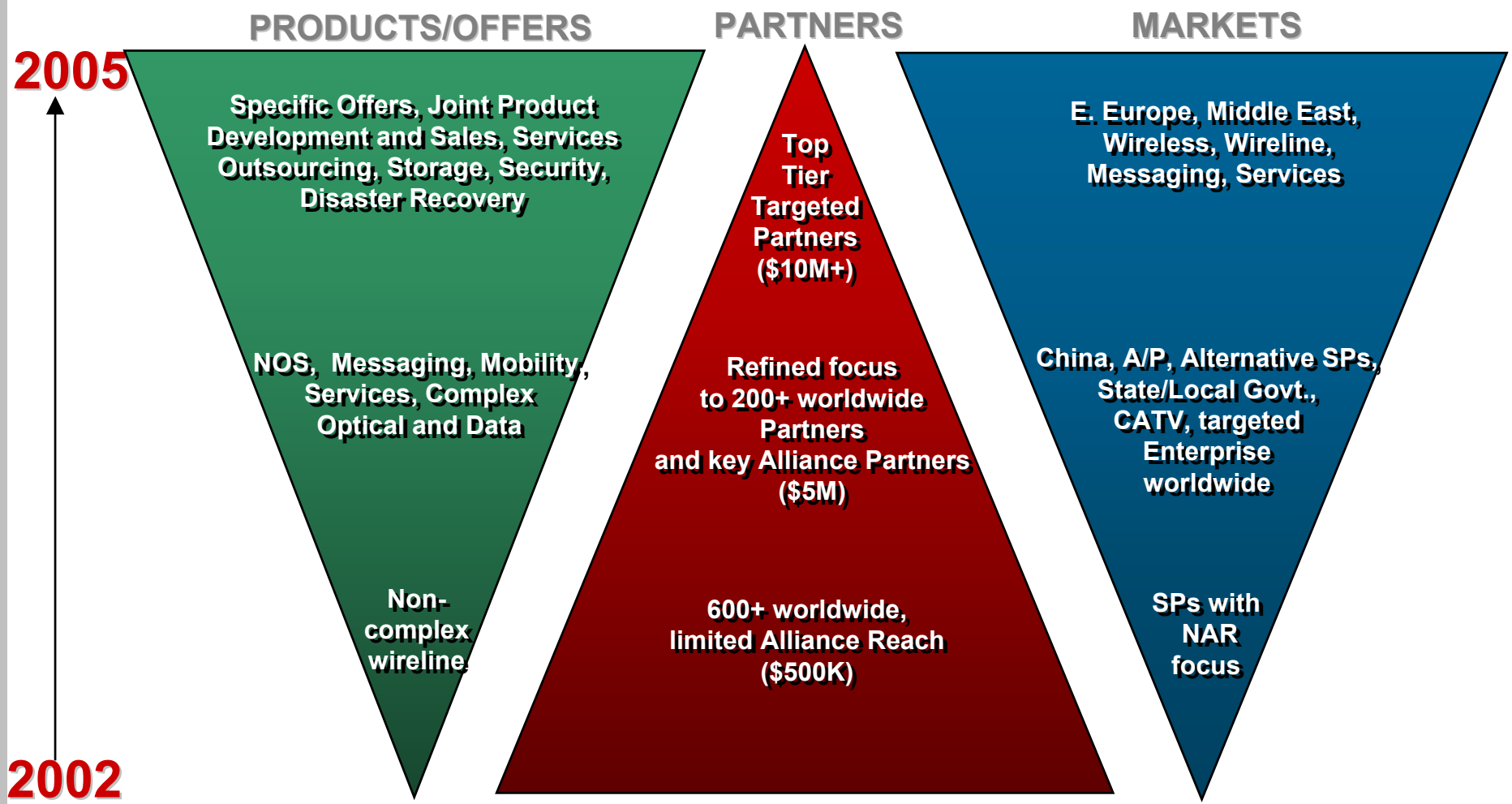
Fadatel

Telindus

Imtech Telecom

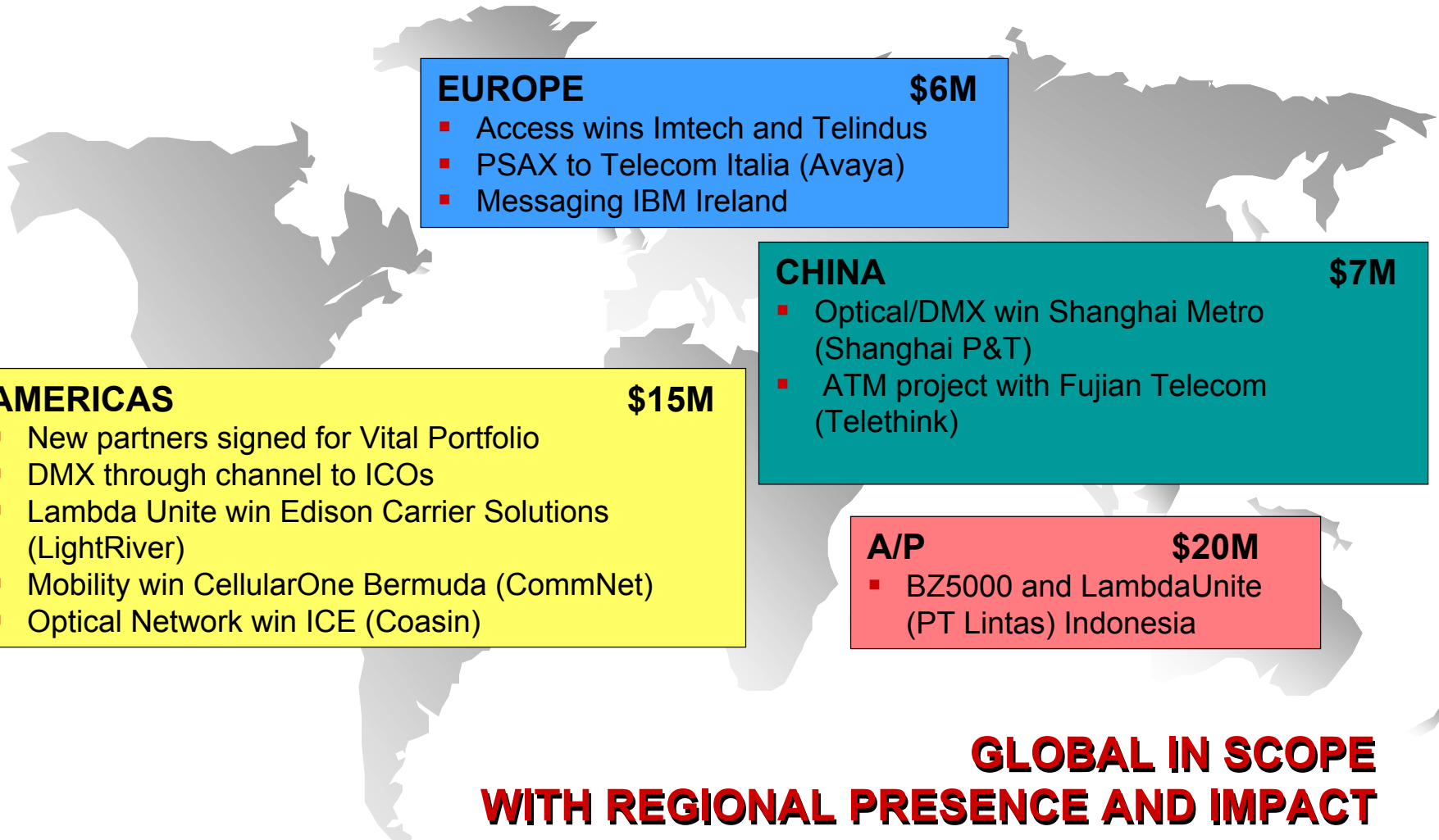
* Representative list of Partners

Evolution Of Lucent Partner Efforts



Sharpened Market and Partner Focus to Drive Value

Business Partners' Successes



EUROPE **$6M**

- Access wins Imtech and Telindus
- PSAX to Telecom Italia (Avaya)
- Messaging IBM Ireland

CHINA **$7M**

- Optical/DMX win Shanghai Metro (Shanghai P&T)
- ATM project with Fujian Telecom (Telethink)

AMERICAS **$15M**

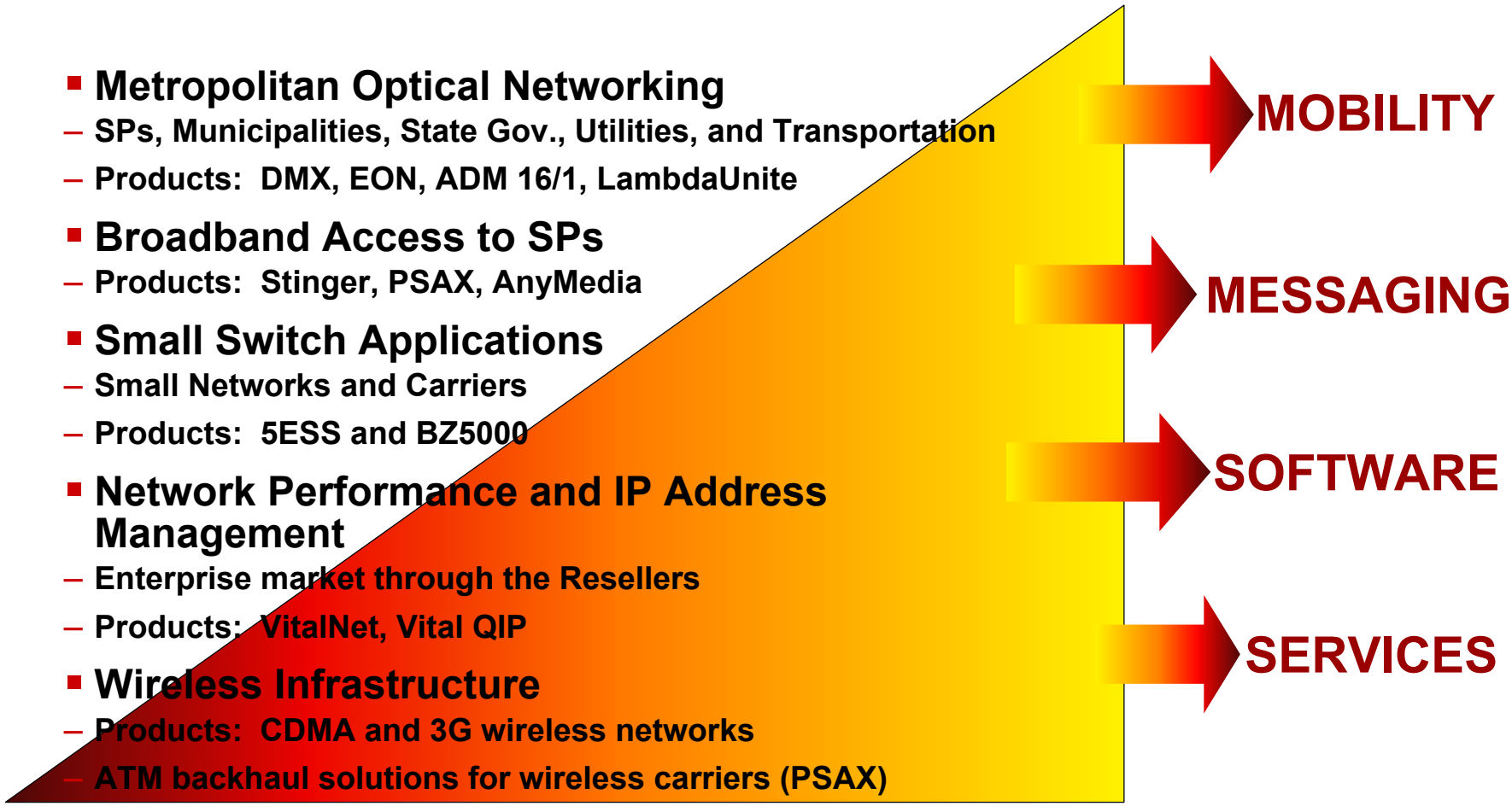
- New partners signed for Vital Portfolio
- DMX through channel to ICOs
- Lambda Unite win Edison Carrier Solutions (LightRiver)
- Mobility win CellularOne Bermuda (CommNet)
- Optical Network win ICE (Coasin)

A/P **$20M**

- BZ5000 and LambdaUnite (PT Lintas) Indonesia

GLOBAL IN SCOPE
WITH REGIONAL PRESENCE AND IMPACT

Business Partner *(Reseller)* Top Global Offers



DEVELOPING CHANNEL-READY OFFERS TO EXPAND REACH

Advantage Business Partner Program

BENEFITS

- Account Management Support
- Systems Engineers
- Marketing
- Co-op funds
  - Lead Generation Campaigns
  - Event Participation
  - Product Programs
- World class training
- e-Learning
- Product/Solutions Collateral
- Configuration tools
- Sales Kits
  - Partner Locator Tool
  - Post-sales Support

REQUIREMENTS

- Qualification and Training
  - ✓Sales & Marketing
  - ✓Design & Engineering
  - ✓ Installation & Maintenance
- Business Case
  - ✓GBP Profile
  - ✓Marketing Plans
  - ✓Selection of Technology Track
  - ✓Revenue Commitment
  - ✓Forecasting
  - ✓ Sign contract

FULL-SCALE PROGRAM FOCUSED ON TRAINING, ACCREDITATION AND SUPPORT

Strategic Alliance *(Sell With)* Top Global Offers



IP Centrex solutions to wireline Service Providers (iMerge)

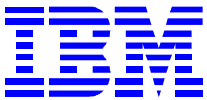
Messaging solutions to both wireline and wireless Service Providers (AnyPath)

Customer care solutions to both wireline and wireless Service Providers (ClientCare)



Secure storage over distance

Lucent OptiStar/EON product



Partnership to leverage Lucent optical portfolio with IBM

Lucent MetroEON now part of IBM Total Proven Storage program



Extending reach in Call Center market to offer ATM connectivity (PSAX)

ATM backhaul solutions for wireless customers



Collaborating on joint solutions to expand and extend reach into SP and Enterprise (Vital, NOS and Services)

Collaborating to engage Enterprise customers to drive 3G services

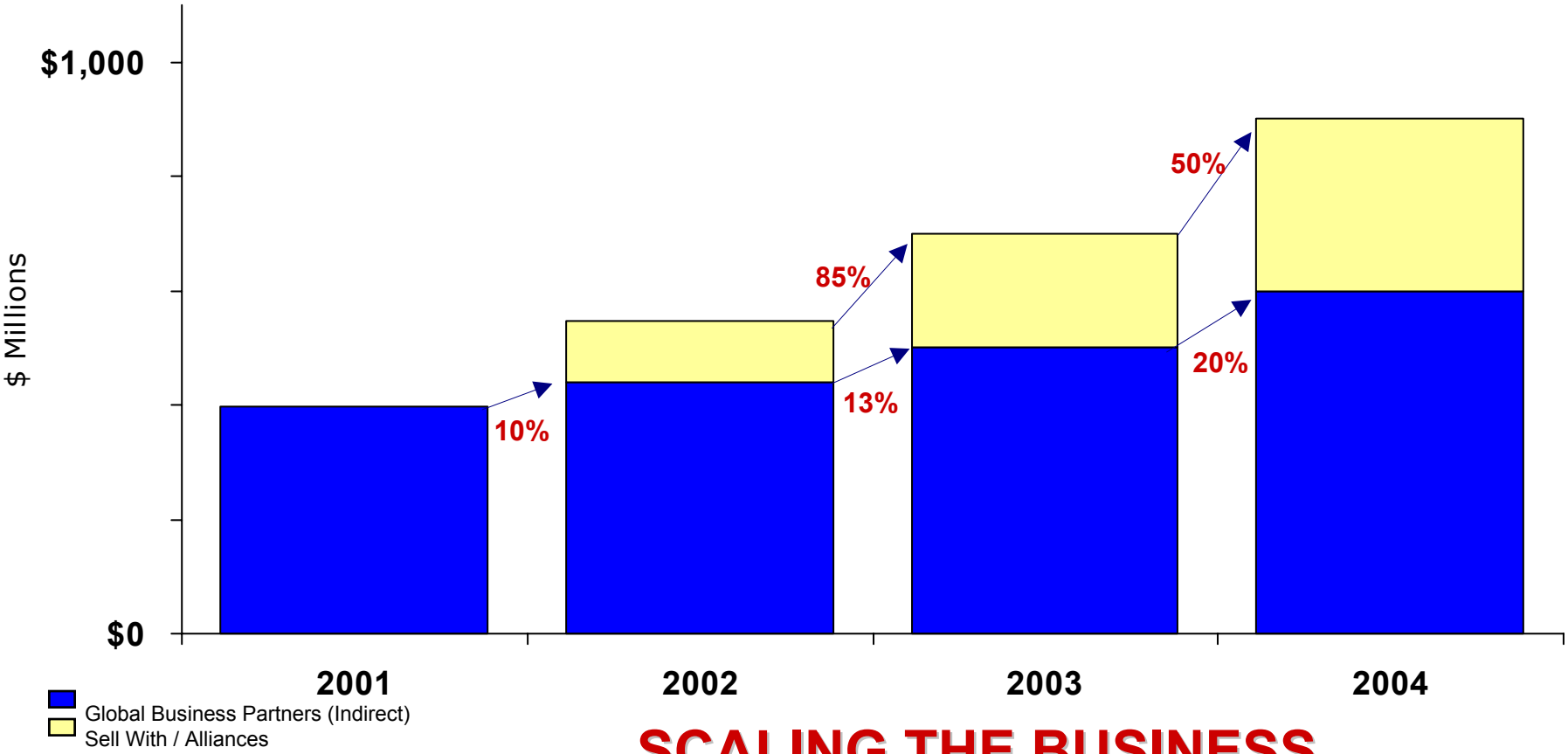






Revenue Growth Trend

- Generate $1B+ incremental revenue
- Double digit annual growth
- Solid margins



SCALING THE BUSINESS

Key Takeaways



- Joining forces with industry-leading Channel and Alliance partners
- Driving profitable revenue
- Raising the value of what we deliver to customers



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