

# Frost & Sullivan Award for Technology Innovation



## AWARD DESCRIPTION

The Frost & Sullivan Award for Technology Innovation is given to the company that has demonstrated technological superiority within its industry. This award recognizes the ability of the company to successfully develop and introduce new technology, formulate a well-designed product family, and make significant product performance contributions to the industry.

## RESEARCH METHODOLOGY

To choose the recipient of this award, the analyst team tracks emerging and existing technologies, as well as R&D developments. This is accomplished through interviews with major market participants and extensive secondary research. Also considered are elements such as product launches, customer acceptance, penetration rates, and time to market. Finally, competitors are compared and ranked for relative position. Frost & Sullivan then presents the award to the company that received the number one industry rank.

## MEASUREMENT CRITERIA

In addition to the methodology described above, specific criteria are used to determine the final competitor rankings in this industry. The award recipient has excelled based on one or more of the following criteria:

- Technology innovation contrasted against competitors
- R&D expenditures
- New product/process introduction
- Price premium
- First to market
- Adoption rate
- Penetration rate

## AWARD RECIPIENT: MITEL NETWORKS

Frost & Sullivan presents the 2003 Award for Technology Innovation to Mitel Networks for offering an innovative and differentiating IP PBX portfolio.

The Mitel IP PBX product line consists of three main products: the 3100 ICP, the 3300 ICP, and the newly introduced SX-200 ICP.

The 3100 ICP is architected to make use of the TDM bus for switching calls among legacy phones and of the IP network for switching IP-based calls. The "all-in-a-box" design supports PBX and IP telephony functions in addition to having embedded voice messaging and auto-attendant features.

The 3300 ICP is based on the call processing software of the flagship Mitel SX-200 PBX and comes with all of the latter product's extensive collection of 500-plus user and system administrator features. Furthermore, the 3300 ICP comes with built-in features such as voicemail, ACD, auto-attendant, IP networking, and 802.11b wireless gateway.

The SX-200 ICP, introduced in October 2003, is also built on the call processing features of the time tested Mitel SX-200 model and allows Mitel's existing SX-200

PBX installed base to gradually migrate to a next-generation solution that brings the benefits of the IP environment. This solution will enable Mitel leverage the millions of customers across North America that have already embraced Mitel's flagship product.

Frost & Sullivan believes that Sir Terry Matthews' purchase of his old company has reinvigorated the Mitel staff, and the results in terms of technological progresses are beginning to show. For instance, Mitel was one of the first vendors to support SIP natively on the call processing server in a small next-gen IP-based KTS, the 3050 ICP - a product geared towards small businesses with ten or less employees. The company was also very active in furthering the SIP cause by being an active participant in groups such as the SIP Forum and the SIP Center.

The Ottawa-based company also pushed the innovation envelope in the IP phone market, having introduced *avant garde* products such as 5140 IP Appliance, which is a web enabled IP desktop with a 320 x 240 pixel graphical-based screen. This product won the "Best in Test" acclamation by BCR Magazine in a benchmark test performed by Miercom, a prestigious independent test lab, involving several other vendors' IP phones. This IP terminal, recently re-branded as the 5240 IP Appliance, offers an impressive array of features, most noticeably a visual voicemail feature that enables users to view their voice message headers on their displays.

Another IP endpoint that has earned Mitel much praise is the 5230 IP Appliance. This model represents the first fully integrated IP phone and PDA desktop terminal capable to let users dock their PDA (HP/Compaq iPAQ) straight into the telephone unit. The design allows for hot syncing when the PDA is in the phone's cradle, thereby enabling end-users to transfer all of their telephone settings and preferences, including phone book, speed dials, and forwarding profiles, to that station. This portability feature empowers highly mobile users to stay productive as they move from one corporate location to another.

Another major innovative product from Mitel is the powerful, yet simple-to-use 6660 Your Assistant (YA) application. This product gives us a glimpse of what the "killer app" of the future will eventually look like. Mitel was the first vendor to introduce a single packaged suite of applications that allows end-users to manage their real-time communications via a sophisticated interface, enabling them to obtain presence information from other users, set up find-me/follow-me rules that specify where their calls should be routed to, perform "on-demand" audio conferencing, carry out videoconferences, and work collaboratively with other colleagues.

Mitel is the only vendor currently offering real, multi-party videoconferencing via YA. YA works seamlessly with all of Mitel's phone sets, including the IP terminals. Users can get a consolidated view of all their communications via an intuitive point-and-click interface. The combination of a good functional layout, coupled with a novel application such as YA, can be a key catalyst for future IP PBX sales.

Mitel has continuously demonstrated its innovative spirit in all the above efforts. Based on this assessment, Frost & Sullivan believes Mitel has a solid growth potential, since innovation is a strong product differentiator that can greatly enhance a vendor's status in the minds of key decision makers.