

## Microsoft Makes Waves

By Scott St. John

One can't look back over the last 12 months without noticing the advancements Microsoft has made in the Communications and Entertainment (COMET) marketplace. Perhaps even more remarkable is the time-frame in which they have been able to make such significant headway.

And, I know how this might sound. Some of you are clenching your iPhones in disbelief as you read this article and a year ago I might not have blamed you. But, you simply can't ignore the impact Microsoft has had on communications information technology (CommIT), their ecosystem of partners, their customers, or the standards that drive interoperability between them.

### Microsoft Goes Rogue

In October of last year, Pipeline published [Microsoft Goes Rogue](#), an article which focused on how Microsoft was approaching the COMET space and taking a significantly different tack than that of their most notable competitors, Oracle and Amdocs. Instead of jumping in headlong and acquiring a drove of independent software (ISV) companies to expand their Operational and Business Support System (OSS/BSS) footprint, they decided to do something none of their competitors had previously done: foster innovation. This was predicated by the realization that what Microsoft does best is provide the platform on which innovations occur.

"The foundation of our industry solutions strategy is to engage and partner with SIs and ISVs that develop and offer innovative, agile, and high ROI solutions that leverage Microsoft's innovation and investment," commented Bob De Haven, General Manager Worldwide Communications & Media, Microsoft.

Instead of going on an ISV buying spree as many



of their competitors had done, Microsoft decided to invest time, people, and millions of dollars into their partner ecosystems and developer network to fuel interoperability and innovation. This approach probably saved Microsoft billions while benefiting the ecosystem and marketplace at the same time. Companies like Alcatel Lucent, CHR Solutions, Ericsson, Cvidya, Tech Mahindra, Tribold, and many more began to

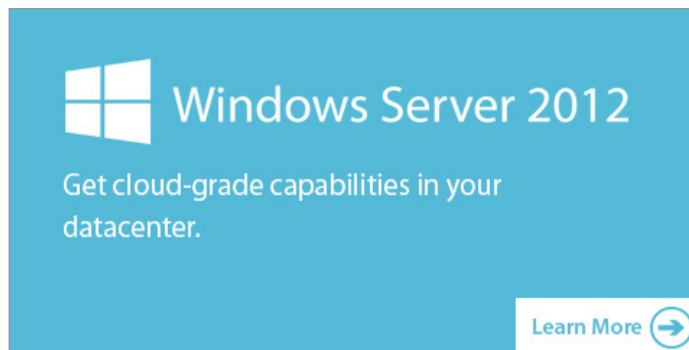
leverage their relationship with Microsoft and each other in ways that would be challenging or impossible before and the ecosystem began to do something unexpected: bear fruit.

By May of this year, Microsoft and [Redknee](#) announced that

they had set a new benchmark with partners Intel, NEC, and X-IO Technologies; achieving support for 250 million subscribers and processing an average of 1,249 invoices per second. This catapulted Redknee and Microsoft to the forefront of the BSS marketplace.

"Redknee's extensive relationship with Microsoft has enabled us to accelerate our ability to expand our footprint with Tier 1 service providers as well as enter into new markets," said Lucas Skoczowski, CEO of Redknee. The recent launch of Redknee and Microsoft's integrated solution at a North American Tier 1 operator demonstrates the value of that our end-to-end, cloud-based converged billing and customer care solution is delivering to the market."

And, Redknee isn't alone. The growing "mashable-ecosystem" was now driving innovation and generating new business opportunities for the



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ecosystems partners on their own, and in some cases these opportunities put the customer's interest and the interests of the ecosystem partners ahead of Microsoft's own.

When asked about a recent European deployment at one of the providers in the Orange group, Ernest Margitta, VP Marketing stated "We wouldn't be there without Microsoft." According to Margitta, Microsoft, who was engaged in a CRM opportunity around Microsoft Dynamics, understood the provider's focus and priority on product catalog. Being familiar and able to pitch their ecosystems partner's offerings, Microsoft directly positioned Tribold ahead of their own Dynamics deployment. Within about a week, Tribold received a new, signed order from the communications provider.

"Tribold has been working with Microsoft since the company was founded in 2003 and are extremely pleased to have attained Gold Certified status in the Microsoft Partner Program for the 5th consecutive year," added Margitta. "Building on the Microsoft platform allows Tribold to focus exclusively on the Enterprise Product Management solution and leverage the \$8.7b Microsoft annual R&D investment. It also ensures we can pass on lower Total Cost of Ownership TCO to our customers. A great example of how that benefits our customers is Tribold's recent Product Business Intelligence product which was designed, built on SQL Server 2012 and deployed to our global customer base in record time"

Microsoft's unique partnership approach won them a distinguished [2012 CommIT Award](#) for Best Ecosystem at Management World in Dublin, Ireland in May of 2012. The decision was based on a myriad of factors and ultimately the final verdict was decided by votes of the esteemed Judges Panel comprised of service providers and analysts from around the globe. Among the criteria evaluated was the size of their investment into their ecosystem and the surrounding metrics that indicated how the ecosystem is able to thrive, with and without their direct involvement. But, one of the key differentiators of Microsoft's approach was that instead of consolidating the market through acquisition, it expanded the marketplace by fueling opportunities and innovation for its members enabling Microsoft, its partners and their ecosystem to collectively thrive.

### Microsoft in the News

At the same, Microsoft has been making headlines with investments and acquisitions in several key areas, hinting at where the company may be heading. Most recently, [Microsoft announced](#) their acquisition of enterprise social networking company, Yammer. While the \$1.2 billion dollar purchase price paled

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in comparison to the 8.5 billion dollar acquisition of [Skype](#), it clearly underscored Microsoft's focus on the enterprise market, social network, and cloud technologies. When taken into consideration with the rest of Microsoft's growing portfolio of partners and solutions, it poises them to be a force to be reckoned now – and even more so as the technologies and market continue to evolve.

And lest not forget the devices. Microsoft's leading gaming and home entertainment gateway, Xbox provides a rich multimedia platform for games, movies, telephony, OTT apps and the [Windows Phone](#) provides a complete, and integrated mobile Microsoft experience. While they've faced their challenges and seemingly insurmountable competition from Apple and Android, these devices give Microsoft addition delivery platforms and compounded value proposition to all those who are leveraging Microsoft solutions or want to tap into Microsoft's audience. The significance of which should not be understated as everyone from HBO to Netflix – not to mention communication and entertainment providers such as AT&T, Canal+, Comcast, Sky, Telus, Verizon and Vodafone – all are tapping into Xbox's 30+ million subscribers in over 35 countries.

### Redefining Microsoft?

While some things change, at least some things still fundamentally remain the same. In the beginning, Microsoft didn't provide the hardware or applications (then called PC Software), they provided MS-DOS (Microsoft Disk Operating System) and later Windows to provide the platform on which software could interface and leverage hardware for which it was built. Fast forward nearly 40 years, and the Microsoft of today is still very much focused on providing the platforms on which others can innovate and deliver innovation to their organization and customers. However, instead of operating on iron-sided IBM machines sitting atop desks for word processing, Microsoft now seems to be gearing up to provide the CommIT platform of the future.

Microsoft has been investing heavily in cloud-based technologies to provide enterprises such as COMET service providers (CSPs) with a flexible information

technology (IT) infrastructure that increases productivity and drives down traditional management costs. From an IT perspective, Microsoft Office 365, SharePoint, Dynamics CRM, Azure and now Skype and Yammer provide mobile, multi-device access to help organizations communicate and work more effectively. Add to this their investment and focus on ecosystem innovation and, for CSPs, this means broader accessibility to customer information, product catalog, billing, and more. Moreover it means seamless, standards-compliant integration between their IT infrastructure and their OSS/BSS systems.

“We are investing heavily in our technology, partners, and development network to provide a common platform so that products and services can be designed once and be delivered over multiple technologies and devices,” said Eric Troup, CTO World-Wide Communications and Media Industries at Microsoft.

In a recent paper written by Troup on Multi-Cloud Delivery & End-to-End Management, the Chairman of the TM Forum, Keith Willetts, was quoted saying “Although the industry does not yet fully appreciate the challenges and costs of operating in a multi-cloud environment, minimizing integration and operating costs will be a critical success factor.” He later went on to applaud the paper and Microsoft’s initiative in this area.

Microsoft was the founding member of the TM Forum Service Delivery Framework (SDF) initiative and continues to work with them to in the project’s current iteration called Software Enabled Services (SES) Management to further drive the standards that provide interoperability and multi-device and multi-technology service delivery.

“Cloud is really taking a driving seat in a lot of these technologies, such as BSS systems,” added Rick Lievano, Industry Technology Strategist, Communications & Media Sector at Microsoft. “But, the standards that exist today, really don’t lend themselves as they are in order to deliver all systems from on-premise to the cloud. That’s part of the work we are doing with TM Forum to help propose a solution to help them mobilize on-premise solutions to the cloud.”

We wouldn't be there without Microsoft.

### What's Next for Microsoft?

While the future may be somewhat uncertain, Microsoft is definitely betting on the future. They are betting big on cloud by building massive, top-tier data centers and embracing a unified approach to on-premise and off-premise applications. They’re investing heavily in social enterprise networking and integrating the power of social networking into their solutions. They are betting on innovation with their partners by empowering their ecosystem to innovate on the Microsoft platform products. They are betting on their customers by helping them transform by leveraging the latest CommIT technologies. They are betting on standards by driving forward those that provide interoperability and ease of development for multi-device and multi-technology COMET services. And, they are continuing to bet on their device strategy and capitalize on their momentum there. If you look at the whole picture, the only thing that may be certain is that Microsoft is going to continue to make waves.