

Press Contact:

Jim Flinton

jflinton@t3igroup.com

973-602-0114

www.t3igroup.com

T3i Group Reports Solid but Uneven First Half 2010 Growth in Global Contact Center Agent Positions

Cedar Knolls, NJ (October, 2010) - T3i Group's latest research on CPE-based contact center shipments shows a solid recovery of the contact center market for new CPE-based agent positions. Globally, the market grew over 8% compared to 1H09 but growth was uneven. APAC showed the greatest increase, followed by EMEA and the US, while both Canada and CALA declined. Most manufacturers increased shipments over 1H09 and indicated that projects which had been placed on hold in 2009 were being revived.

According to T3i Group's "*InfoTrack for Converged Applications First Half 2010 Global Contact Center Report*," the EMEA and APAC regions continued to show the greatest volatility with the greatest growth – 16% and 14%, respectively (as opposed to 1H09 when EMEA and APAC led all regions with the biggest declines of over 25% and 40%, respectively). Shipments in the US increased modestly by over 5% while CALA declined over 10%. Several manufacturers reported making good progress with sales in China – winning large projects and adding to their distribution channels.

Shipments of IP (Internet Protocol) agents increased almost 15% from 79% of shipments in 1H09 to more than 83% in 1H10, demonstrating the ongoing penetration of this technology as its growth outpaced the total market. T3i Group analysts estimate IP agent penetration (for new agents) will reach almost 94% globally by 2014, with the majority of non-IP agents being add-ons to older systems.

The new Avaya/Nortel combination led in shipments in every region. However, its global growth was barely positive over 1H09 (less than 1%) due to continued weakness of the Nortel products and it lost share to Cisco, Genesys, Mitel, Siemens and Interactive Intelligence.

"Clearly the market has rebounded from its deep decline in 1H09 although growth has been uneven. Nine manufacturers in our tracking universe had double digit growth with Cisco leading in terms of increase in total shipments, while three had growth of less than 5% and two had major declines" said Ken Dolsky, Senior Program Director for the InfoTrack for Converged Applications (ICA) program at T3i Group. *"The other major trend was the increased consolidation in the market mainly due to the integration of Nortel with Avaya. The top three manufacturers now have almost 72% of the global*

market shipments compared to a bit less than 65% in 1H09 and the top five have over 79%. If Avaya is able to get back on its growth track and Cisco continues its strong rebound, the top five may have over 85%, shortly," he summarized.

Related Reports

This report is one of several contact center analyses published by T3i Group. Others include:

>>*Global IVR (CPE-based) Shipments and Market Shares for 2008 and 1H09*

>>*Shipments and Shares of the Hosted Contact Center and IVR Markets for 2008 and 1H09* (also includes shipments/shares of hosted IP telephony and messaging markets)

>>*Global Market Demand (primary customer research) for Hosted Contact Center and IVR* (also includes demand for hosted IP telephony, messaging and key unified communications applications)

About the InfoTrack for Converged Applications (ICA) Program

InfoTrack for Converged Applications (ICA) analyzes and forecasts UC application shipments, installed base, revenues and share globally and regionally by size segments. Separate programs address Messaging, Contact Center and Interactive Voice Response. For more information about the ICA program or about *Fist Half 2010 Global Contact Center Report*, please visit <http://www.t3igroup.com/products/infotrack/> or contact Ken Dolsky, kdolsky@t3igroup.com, 973-602-0109.

About T3i Group LLC

T3i Group LLC provides market research, data, analysis, and consulting and advisory services to the telecommunications industry. It has clients in 46 countries and conducts its business through four operating units: InfoTrack publishes reports that analyze shipment, revenue, market share and other pertinent data of importance to telecommunications equipment manufacturers; TelecomTactics maintains a database of the features and functionality of major telephony systems, collaboration products/services and Unified Communications clients; Tarifica maintains a database of pricing-related information covering 400 telecommunications carriers operating in 130 countries; T3i Group's website www.t3igroup.com serves as T3i Group's primary delivery mechanism for distributing its reports, analyses and data to subscribers.

T3i Group LLC is headquartered in Cedar Knolls, N.J.; with additional locations in New York City and London.

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