

2008 IP PBX Worldwide Market Update

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Report Summary

The most current data indicates that, overall, the PBX market continued to show growth in 2008. Users continued to move to IP PBX platforms, in large part based on good ROIs, coupled with the productivity gains of unified communications and the increasing benefits associated with SIP's open architecture.

In-Stat estimates that, in 2008, worldwide PBX revenues will grow just under 2%, when compared to 2007. Although the market showed growth in 2008, it is below what was anticipated. The economy is going through a crisis, the likes of which few have seen before, and the PBX market simply can not remain unaffected. In-Stat's expectation is that for 2009, revenues will be essentially flat, with growth beginning to return in 2010.

HIGHLIGHTS

- In-Stat estimates that PBX revenue will grow just under 2% in 2008.
- In 3Q08, Cisco moves into market leader position.
- Unified messaging and SIP are leading trends in the PBX marketplace.
- In-Stat anticipates 2009 PBX revenues to be flat.

What's in the Report?

- Market share analysis of PBX vendor line shipments
- 5-year revenue forecast for PBX marketplace
- Update on technology trends among leading PBX vendors

Who Will be Interested in This Report and Whose Needs are Addressed?

- PBX vendors and value-added resellers of PBX equipment
- Those interested in tracking the PBX marketplace

What Questions Does This Report Answer?

- Who are the leaders in the PBX market, based on line shipments?
- What is the expected size of the PBX market over the next 5 years?
- What are the major technology trends of the leading PBX providers?

In This Update

Introduction to Update	1
Update to Methodology	4
Market Share Analysis.....	6
Worldwide Market Share	6
Total Geographic Line Shipments.....	7
PBX Forecast.....	9
Line Shipment Forecast	10
ASP/Line Forecast	10
Revenue Forecast.....	11
Notable Product Releases.....	12
3Com.....	12
Alcatel-Lucent.....	13
Avaya	14
Mitel.....	14
Nortel.....	15
Siemens	15
Conclusion	16
Methodology	17
Glossary.....	18

List of Tables

Table 1.	2007 Worldwide PBX Market Share Estimates	6
Table 2.	1H08 Worldwide PBX Market Share Estimates.....	7
Table 3.	3Q08 Worldwide PBX Market Share Estimates ¹	7
Table 4.	Geographic Line Shipments, 2007 + 1H08.....	8
Table 5.	PBX Line Shipment Forecast, 2007–2012.....	10
Table 6.	ASP/Line Forecast (US\$), 2007–2012.....	11
Table 7.	PBX Revenue Forecast (US\$ in Millions), 2007–2012	11

List of Figures

Figure 1.	PBX Revenue Forecast (US\$ in Billions), 2007–2012.....	1
Figure 2.	3Com VCX	12
Figure 3.	ALU BICS.....	13
Figure 4.	Mitel MCS Server	14

Methodology

The primary source of information used to develop this report is the quarterly line shipment data provided by the leading PBX vendors. In the vast majority of cases, the leading vendors provide line shipment data. In a case in which a vendor does not provide line shipment data, an estimate is developed based on a related available data point, such as the total number of phones shipped over a given period, factored by an estimated “attach rate,” or other publicly available information and/or past history. As part of this research effort, In-Stat also conducted a series of teleconferences, and engaged in email correspondence with executive-level representatives from the leading PBX vendors to review company specific and industry trends. Secondary sources include publicly available information, such as financial reports and other trade sources, as well as analysis of historical information developed by In-Stat.

In-Stat classifies PBX systems into two segments: (1) traditional, circuit-switched PBXs and (2) IP PBXs. This second category includes server-based IP PBXs, and appliance-based IP PBXs, which consist of call control software residing on a server as part of a system of media gateways, IP phones, and switching/routing resources. This software may be centralized or distributed, and emerging small business systems may even reside within the phones themselves. Please note for purposes of this report, the term IP PBX line consists of all lines shipped with an IP PBX, including IP, digital, and analog. The term IP PBX line is also used to describe an IP line served by a traditional PBX that been IP-enabled.

Line shipment numbers designated by the vendors as key systems are not included in this report.

All revenue statistics discussed in this report are end-user sales. Thus, average selling prices (ASPs) represent the price paid by the end-user. The revenues reflected include the cost of hardware and software purchased as part of an IP PBX system, including manufacturer-related desktop phones. Determination of the ASP is becoming an increasingly challenging aspect of PBX revenue analysis. In-Stat makes an effort to exclude additional service revenues that might also be included in a sale, such as professional services or wireless system-related revenues beyond capabilities inherent in the PBX system itself.

Please note that due to rounding, not all columns in tables will total 100% exactly.

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