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## Innovation at Work - Alcatel-Lucent's WebTV Transcript edition 02/2010 - Application Enablement

### Hugh SCHOFIELD

Welcome to perhaps the funkiest place to be in the northern hemisphere this spring: Austin Texas. The city is home to the annual South by South West [SXSW] festival - or festivals because there's lots of great music here, indy films - and the bit that interests us the Interactive. It's where thousands of experts, geeks and entrepreneurs congregate to discuss the latest in the fast-moving world of digital technology. Twitter was launched here a couple of years ago: it's that kind of event.

For this edition of Innovation at Work, we've come to Texas to look at something that is increasingly important to Alcatel-Lucent: application enablement.

OK... first things first - basic question: what do we exactly mean by application enablement?

### Kenneth FRANK

#### President, Solutions and Marketing, Alcatel-Lucent

Application enablement is a new way of building applications for end users and enterprises. It really is taking the best of the web and the innovation there with the best of what the network operators can do and optimize those worlds in such a way to really drive more value.

### Hugh SCHOFIELD

We all know about the huge growth in 'apps'. More and more of these functions are being developed all the time and the market is set to move into overdrive in the years ahead. So the people are there, the know-how is there - what's missing is the optimum system for getting apps to market.

### Hugh SCHOFIELD

Alcatel-Lucent's resident guru on applications is Laura Merling. Laura, there are thousands of applications developers out there trying to get their products online and there are millions of consumers out there, but there's something I think that you are saying that's not quite right in the system. What are the bottlenecks?

### Laura MERLING

#### VP, Developer Platform, Alcatel-Lucent

There is two key bottlenecks. One of the first bottlenecks is there is a lot of great information and functionality that is built into the network. Things like they know your user profile, they know what device you are on. But they have taken that information and locked it behind a wall and not made it available to developers.

### Hugh SCHOFIELD

This is the service providers, they haven't given this key information to the developers?

### Laura MERLING

Exactly. And then in certain cases, a few of the service providers *have* made that information available to developers - however they have charged for it. And when you

think of the guy in the garage who is building that really cool, creative app, they don't have a lot of money to spend and invest in paying in up front fees and things like that. So they've had the challenges of addressing it from a monetary perspective.

### **Hugh SCHOFIELD**

So what broadly then is Alcatel-Lucent's vision for getting around this problem?

### **Laura MERLING**

One of the things that our team likes to say is - you know there is two guys that would never talk to each other at the party, there is the service provider and the geek. So how do we bring them together to talk to each other. And we came up with a really interesting revenue share model so that everybody in the ecosystem wins.

### **Hugh SCHOFIELD**

So you are getting the developers and the service providers to work together in a new kind of ecosystem.

### **Laura MERLING**

Absolutely, and deliver really exciting applications to the end consumer. Because it is all about the end consumer.

### **Hugh SCHOFIELD**

So that's Alcatel-Lucent's vision: to create an environment in which apps developers and the service providers, the networks, have an interest in working together. The centerpiece is what you might call a new platform. It only exists in cyberspace so we can only show what it looks like on a screen. But basically, it's a place where developers can build, test and bring to market their applications. For the first time in cooperation with the networks...

### **Ross TURK**

#### **Developer community evangelist, Alcatel-Lucent**

Well we've added a lot of functionalities to our dashboard. We have also added a lot of new API types to our sandbox to allow users to test against a variety of Alcatel-Lucent and third party API's. And we have introduced the concept of application API bundles to allow people to use network and third-party API's in a way that it doesn't require out of pocket expenses.

### **Hugh SCHOFIELD**

So now let's see how these ideas are going down among the folks who really count here at SXSW - the developers themselves...

### **Brian ZISK**

#### **Adviser, Collecta and social networking pioneer**

Developing an application is not rocket science. The biggest problem is the distribution. I can do something great - but how do I get it out there? And then you go and put it into various stores and you try to work on deck with someone, and they take such a large share. But because of the negotiating power of Alcatel-Lucent they are able to get it out there through all their partner networks in a way that is really beneficial to the developers.

### **Corvida RAVEN**

#### **Tech blogger, SheGeeks, and "Oprah of the web"**

The consumers are going to love it, they want this stuff, they are looking forward to it. It's phenomenal and it's changing their lives in so many ways. But I think at the end it's going

to be up to the companies so when they push it out there and not limit the innovation that's going on.

**David SIEMER**

**Investment banker, Siemer & Associates**

It's very cool, I don't know why it hasn't existed yet, it's something Apple should have created Day 1 as part as their SDK's [software developer kit] to make it so that developers get a lot more feedback and can fine-tune their apps. Especially the ones that are more, where there is more of a subtlety of what they are trying to accomplish - like social games or social media apps. So it is a great toolset, you guys definitely hit it out of the park with the design of it.

**Eliane FIOLET**

**Co-founder and editor, Übergizmo.com**

I think the mobile industry particularly is very fragmented. So for example when you develop a game 70 per cent of your development budget is spent on compatibility of different operating systems. So this is really painful.

**Ryan Hupfer**

**Developer and self-proclaimed geek, "isocket"**

How do I know where the traction is, how do I know that what I am spending is effective? How do I know what platform is better than the other? Maybe my apps better on one platform than the other? So it's getting feedback from users, being able to bring it all together on one dashboard - and that's what the sandbox in the sky does - I think is a super-powerful tool.

**Kenneth FRANK**

Well, if in one or two years time we can be here where the development community is coming to us asking what the network operators can do and consider the network operators part of the equation I'd define that as success.

**Hugh SCHOFIELD**

In the crowded, constantly evolving world of digital creation, Alcatel-Lucent has found a new space for growth, bringing together developers and service providers so they can both do what they do best - *together*.