Seamless Connectivity - It's What the Customer Wants and the Industry Needs

Mobile Voice Conference
April 22, 2010

Presented by:
Todd Carothers, Vice President of Product Management, CounterPath Corporation
### Identifying the Markets for UC: It’s all about the Number

<table>
<thead>
<tr>
<th></th>
<th>PBX/CPE Centric</th>
<th>Network Centric</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mobile number primary</strong></td>
<td>Dial mobile number&lt;br&gt;When at desk / in office ring IP desk phone, softphone (others), plus Mobile</td>
<td>Dial mobile number&lt;br&gt;When on broadband deliver call to an IP device and Mobile</td>
</tr>
<tr>
<td><strong>Fixed/VoIP number primary</strong></td>
<td>Dial wireline number&lt;br&gt;(on IP PBX)&lt;br&gt;When not at desk ring mobile phone</td>
<td>Dial wireline number&lt;br&gt;(on softswitch / Centrex)&lt;br&gt;When not at fixed location ring mobile phone</td>
</tr>
</tbody>
</table>
The Telecommunications Sector’s Problem

• Meeting End User’s Persistent Feature Dilemma
  – Meeting Demanding Users vs. Disruptive technology Curve (à la The Innovator's Dilemma)
  – Multi-faceted demands limit technology and product abilities to meet one solution fits all

• Old Telco model is out-paced by newer Internet models
  – NEPs are not meeting demands of the rapid pace of Internet-based applications and services and turning their customers into bit pipes
  – Traditional providers are fighting with sticks and arrows against new rapid Internet-based technologies

• The Skype Threat
  – Fixed-Line Operators: Skype now eats $13B per year or 12% of International traffic
  – Mobile Operators: Skype is moving onto the handset
  – Enterprise (PBX/Centrex): Skype will move into the SME/Enterprise market
## Mobile UC Client Market Figures: Enterprise Mobility

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Size ($M)</td>
<td>118</td>
<td>190</td>
<td>306</td>
<td>492</td>
<td>793</td>
<td>1,276</td>
<td>2,055</td>
<td>3,309</td>
</tr>
<tr>
<td>Units (K)</td>
<td>465</td>
<td>803</td>
<td>1,385</td>
<td>2,391</td>
<td>4,127</td>
<td>7,123</td>
<td>12,294</td>
<td>21,220</td>
</tr>
<tr>
<td>ASP($)</td>
<td>254</td>
<td>237</td>
<td>221</td>
<td>206</td>
<td>192</td>
<td>179</td>
<td>167</td>
<td>156</td>
</tr>
</tbody>
</table>

**Report Information/Highlights:**

- CAGR 2008-2015 61.4% on revenue
- CAGR 2008-2015 72.6% on advanced Mobile UC Clients
- $1 Billion Market within 4 years

Source: Frost & Sullivan 2009
Mobile and Carrier Drivers for FMC/UC

Disruptors

Mobile Operator

PSTN/DSL

Cable MSO

MVNO / MNO Access

Carrier names are representative examples

Google

skype

(truphone)

Sprint

Telefónica

vodafone

verizon

RCN

COX Communications

TIME WARNER CABLE

cable

Clearwire

wireless broadband

Rogers

Bell Canada Enterprises

Telmex

TELUS

KDDI

Bell

BP

BT

MVNO / MNO Access

Mobile Operator

PSTN/DSL

Cable MSO

Disruptors

Carrier names are representative examples
“Internet Invades Mobile” vs “Mobile Invades Internet”

- Internet services (Skype, Yahoo!, Google, etc.)
- Internet (edge) charging model
- Mobile operator becomes a bit-pipe

- Mobile identity
- Mobile services
- Mobile (service) charging model
- Mobile provider monetizes the internet
- World’s Largest Mobile roaming network
Products and Applications Driving UC

Endpoints
- Fixed/Nomadic
  - Soft Phones
- Fixed Endpoint
  - Desk Phones
- Mobile Endpoint
  - Mobile w/o client
- Mobile Endpoint
  - Mobile w/ client

Mobility Gateways
- Network Convergence Gateway
  - GTM: Carrier NEPs and App Providers >> MNO / MVNO
- Centrex with Messaging Convergence Gateway
  - GTM: Carrier NEPs and App Providers >> Centrex Providers
- Enterprise Mobility Gateway
  - GTM: Enterprise NEPs and App Providers >> Centrex Providers
- BYOGW or Specialized Solution
  - GTM: End User Driven + Carrier / Enterprise Channels

Service Providers
- MNO / MVNO Service Providers
- VoIP / Wireline Service Providers
- Enterprise Networks & PBX Channels
- Agnostic / IP-Based Service

Apps
- Mobile PBX
- Mobile PC Desktop
- Centrex Anywhere w/ Messaging
- PBX / Centrex Feature Extension to the Mobile
- Service Transparency
  - Desktop Softphone
  - Mobile Softphone

Continuum of Disparate Operator Cooperation Required

High

Low
CounterPath UC Portal: Video Example
Visit us at: www.counterpath.com

Todd Carothers
Vice President of Product Management
CounterPath Corporation
+1.408.655.4760
tcarothers@counterpath.com

Thank you!