



Vidyo[®]
Personal Telepresence

VidyoConferencing™ for Service Providers
A Solution & Business Model that Works

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VidyoConferencing™ for Service Providers

Vidyo provides next generation video conferencing infrastructure and endpoints that provide natural, low latency, multi-party, HD quality visual communication over the public internet. Vidyo's revolutionary architecture solves the business and technical challenges that video conferencing service providers have faced for years using Multi-point Control Unit (MCU) based systems.

Benefits of VidyoConferencing for Service Providers

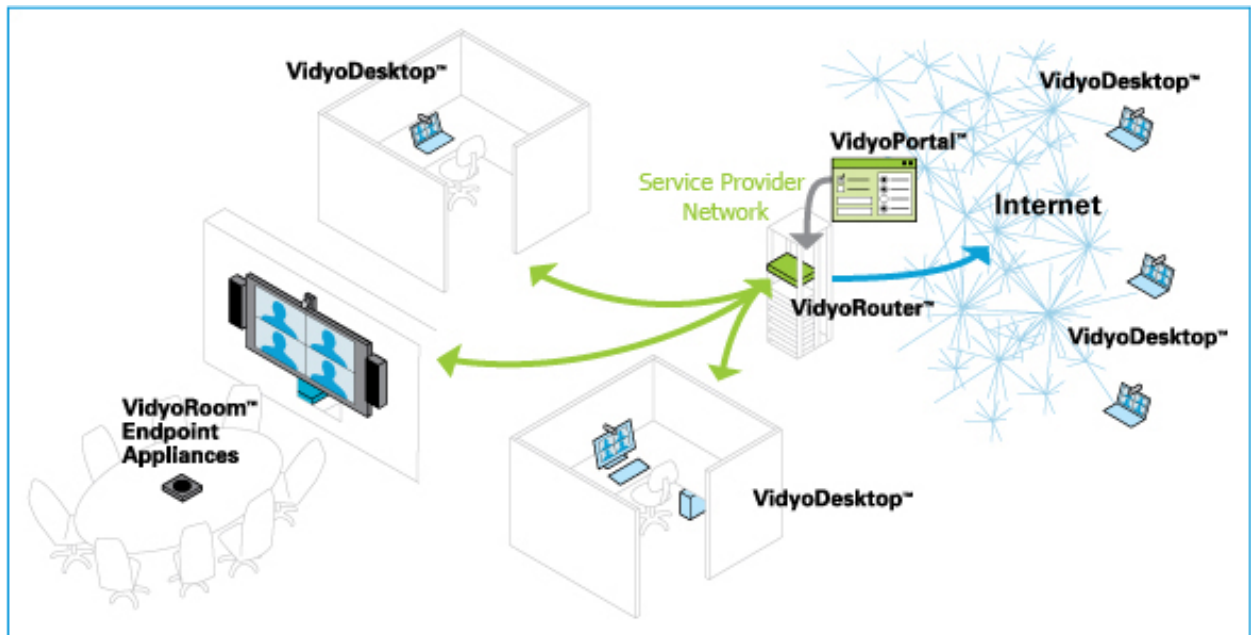
- ✓ Exceptional experience for high customer retention
- ✓ Low initial capital investment
- ✓ "Pay as you grow" with software licensing model
- ✓ Low Operational Expense – Internet grade bandwidth
- ✓ Easy to deploy as a monthly subscription
- ✓ Easy customization
- ✓ Rapid ROI
- ✓ High-margin video conferencing service
- ✓ No expensive end-user equipment to purchase
- ✓ Large enterprise, SMB and SOHO offerings viable
- ✓ Easy scalability for large subscriber base
- ✓ Easy to support

The value of visual communication in the work place is undeniable. Video conferencing can increase productivity, reduce expenses and carbon footprint, and make people feel more connected. But how can you profitably offer video conferencing as a service at a reasonable price to your customer when the infrastructure and endpoints are capital intensive, expensive QoS bandwidth is required, and the resulting end-user experience falls short of natural communication where and when customers need it? This is the problem Conferencing Service Providers faced before Vidyo re-architected video conferencing and developed an experience known as Personal Telepresence. Now service providers can offer easy-to-use, reliable, HD quality VidyoConferencing right to customers' desktops over the public Internet, all at a fraction of the cost of MCU based solutions.

How VidyoConferencing is Different

Traditional MCU based video conferencing solutions are hardware based with expensive DSP boards making them both costly and prone to obsolescence since the hardware must be replaced when more advanced technology becomes available. The MCU performs transcoding of the video streams for all of the endpoints connected in a multipoint conference, introducing latency and degrading video quality. The result is unnatural communication experiences characterized by uncomfortable delay in speech and video quality that falls short of life-like images. Additionally, the H.264/AVC codec commonly used in legacy

systems is not error resilient and requires expensive QoS bandwidth in order to deliver the promised experience. Historically, participants have been required to go to a dedicated room to join a conference, where an IT professional may be needed to launch the call.



To solve these problems, Vidyo developed a new architecture which eliminates the transcoding MCU and replaces it with an H.264/SVC (Scalable Video Coding) enabled VidyoRouter™. The VidyoRouter intelligently routes packets to end points which perform their own encoding and decoding, instead of adding latency and degrading the quality of the video stream through transcoding. The result is virtually no latency and exceptional video quality. SVC provides the VidyoRouter with the ability to dynamically adapt to varying network conditions such as packet loss, jitter, network bandwidth and delay, making it the most error resilient multipoint conferencing solution on the market today, and ideal for deployment over the low cost public Internet and general purpose IP networks. Since the VidyoRouter is software-driven on a low cost x86 server, its price is a fraction of that of an MCU and can easily be upgraded with new functionality and features, protecting your investment. With an intuitive user interface for desktop endpoints, Vidyo provides the ease of use and flexibility to make adoption of VidyoConferencing simple and compelling. Vidyo's patented architecture is the reason that only Vidyo can deliver a solution that solves the problems historically faced by conferencing service providers.

The Vidyo Difference

- Low Startup CapEx
- Very low latency
- HD Quality Video
- Exceptional User Experience
- High Error Resiliency
- General purpose IP networks

A New Service Provider Business Model that Makes Sense

Delivered Value

- Affordable
- Easy to use
- Reliable
- Life-like Quality
- Ubiquitous Access
- Reservationless

In addition to solving the technical performance issues, the VidyoConferencing architecture also enables an exciting new business model for service providers. Since the VidyoRouter ports are software-based, Vidyo has introduced the industry's first "Software as a Service" port licensing model, empowering service providers to "pay as you grow." A service provider can leverage the VidyoRouter and HD Ports across multiple customers. Easily deployed as a monthly subscription, our simple business model enables service providers to offer a high-margin service to their SMB customers without relying on end-users to purchase expensive equipment. With minimal upfront capital investment, low operating costs associated with general purpose IP bandwidth, and port growth financed out of operating revenue, a service provider's path to profitability is short and ROI is substantial.

The Vidyo Value Proposition for Service Provider Customers

A strong financial model is great, but how does Vidyo's approach translate to value for the service provider's customers? It begins with affordability. Vidyo provides the flexibility to leverage a customer's existing laptop or desktop computer with the VidyoDesktop™ client as the VidyoConferencing endpoint, or choose from a menu of VidyoRoom™ endpoints ranging from the industry's lowest priced entry unit to high-end models that are boardroom ready.

For any communication tool to provide value, it has to be *used*. If a system is cumbersome or unreliable, people won't use it. That's why VidyoConferencing was designed to be user friendly and intuitive with web-based portal access and one-click meeting initiation that makes even the most technophobic users smile. With a virtual meeting room assigned to each user, the service is always there for them whenever they need it, without reservation.

To keep a user coming back for more, the visual communication experience must be natural and real-time with exceptional picture quality, providing authentic face to face interaction. With latency comparable to the public switched telephone network, life-like HD quality video, and the best error resiliency in the industry, VidyoConferencing provides a user experience that is so natural and life-like it can only be described as Personal Telepresence.

To make sure that VidyoConferencing becomes an integrated part of an end-user's daily workflow, it has to be accessible whenever and wherever the user needs it. Whether working from a home office or waiting for a flight at the airport, the superior error resiliency afforded by Vidyo's implementation of SVC

Business Model Highlights

- Pay as you grow
- Recurring Revenue
- High margin service
- Low end-user startup cost
- Low OpEx

throughout the network enables users to have the same exceptional experience from any location with a broadband Internet connection. Since every user is assigned his or her own virtual meeting room, the power of high quality multipoint VidyoConferencing is available whenever needed without the hassle of reservation.

VidyoConferencing Service Provider Operating Model

The VidyoPortal™ is the web-based user interface to VidyoConferencing. Vidyo provides its service providers with a range of customization options, from basic portal page skinning to an API package to

Operational Features

- Customizable Portal
- Integration with provisioning & billing
- Multi-tenant
- Built-in Firewall/NAT Traversal
- Interop with H.323 and SIP endpoints

integrate with the service provider's existing web portal, provisioning, and billing systems. The VidyoPortal supports multi-tenant capability so that service providers can easily host multiple customers securely and independently of one another on the same portal and VidyoRouter. The VidyoRouter may be hosted anywhere in the Internet cloud and requires no special QoS bandwidth.

Firewall and NAT traversal is simplified with VidyoProxy™ embedded in both the VidyoRouter and the VidyoDesktop and VidyoRoom clients. Depending upon desired network configuration, a stand-alone VidyoProxy can also be deployed.

Have investment in legacy H.323 or SIP endpoints or have customers that need to connect with such devices? VidyoGateway™ enables connectivity between SVC and legacy endpoints without sacrificing the benefits of the SVC to SVC endpoints. The VidyoGateway provides the transcoding needed by legacy endpoints while communicating to the VidyoRouter as an SVC enabled endpoint.

Getting Started

With a compelling business model and significantly simplified operational model, Vidyo offers the best solution for collaborative visual communication available in the market today.

"We have been providing videoconference services for 20 years throughout the world and have been searching almost that long for the ability to connect desktop and laptop computers to legacy systems such as Polycom and Tandberg. With Vidyo, we can now do that, with the added benefit of superb quality videoconferencing. Our existing customers' responses have been extremely positive to this new paradigm."

Jonathan Schlesinger, CEO of Connexus

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