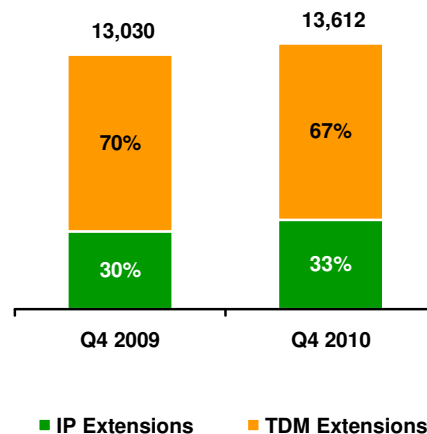


11 March 2011

## Disappointing Q4 2010 in many markets, but positive CY 2010 results for Global PBX/IP PBX market

The latest figures released by MZA have shown that the Corded PBX market (excluding Micro PBX products) increased by 4% in Q4 2010 (October to December 2010 inclusive) compared to Q4 2009 at a global level. The Above 100 Extensions market showed stronger levels of growth at 8%, compared to the SME market (Below 100 Extensions) which recorded an increase of 2% against Q4 2009. Sequentially, Q4 2010 was flat against Q3 2010, however for the calendar year 2010 the Global Corded PBX/IP PBX market was 12% higher than 2009, with double-digit growth recorded in both the Enterprise and SME markets.

**WORLD CORDED PBX/IP PBX MARKET**  
Total Extensions Market (excl Micro PBXs) by Technology - 000s



The results varied considerably across the regions in Q4 2010, with small declines recorded in both **Western Europe** and **North America** when compared to Q4 2009, however the emerging markets of **Eastern Europe** and **Latin America** saw volume increases of 31% and 21% respectively in comparison to the equivalent quarter of 2009. The annual figures tell a similar story, with calendar year 2010 seeing double-digit growth compared to 2009 in all regions bar **Western Europe** which grew by 5%. The largest growth figures of between 17% and 33% were again reported in **Eastern Europe, Middle East and Africa** and **Latin America**, with **Asia Pacific** and **North America** both finishing the year over 10% higher than they finished 2009.

**Cisco** remained market leader in the world PBX market, growing market share from 12% in Q4 2009 to 14% following a good performance in North America. **Avaya** was in second position, also increasing its market share to 14% as a result of its acquisition of **Nortel**,

while **Panasonic** overtook **NEC** to take third position with an 11% market share globally. **Panasonic** led in the Below 100 Extensions sector with a 15% market share, ahead of **NEC** in second position and **Avaya** in third position. In the Above 100 Extensions market, **Cisco** was the market leader with a 27% market share, followed by **Avaya**.

Overall in 2010, **Avaya** was the market leader in the global Corded PBX/IP PBX market, overtaking **Cisco** and **NEC** who were the top two in 2009. In the Below 100 Extensions market, **Panasonic** retained their market leading position ahead of **NEC** and **Avaya**, while **Cisco** continues to dominate the Above 100 Extensions market in 2010.

## World IP Extensions Market

**North America** continued to lead the market for IP deployments, with around 1.7 million extensions deployed to the desktop this quarter, compared to 1.4 million in **Western Europe**. This means that **North America** has now achieved an IP extension penetration rate of 62% into total extensions, by far the highest rate globally. This compares to a 38% penetration rate in **Western Europe**, which also remains ahead of the global average of 33% up from 30% in the same period of 2009. **Eastern Europe** continues to be the region with the lowest IP deployment to the desktop as a proportion of extensions sold, though the region is second only to **Latin America** in terms of the growth rates seen in the IP extensions market in Q4 2010.

Overall, the IP desktop extensions market grew by 15% compared to Q4 2009, which was greater than the 4% growth seen in the total extensions market. The Below 100 IP Extensions market grew by 16%, while the Above 100 IP Extensions market increased by 14%. In both instances, increases in the IP extensions market far outweighed the growth seen in the total market.

Overall in 2010, the IP desktop extensions market was up 22% compared with 2009, with the highest growth rates coming in the regions with the lowest market penetration in **Eastern Europe, Middle East and Africa** and **Latin America**, each recording IP extensions growth of between 45% and 70% over 2009.

**Cisco** maintained its leadership of the IP desktop extensions market with a 38% market share, followed by **Avaya** at 20% and **Mitel Networks** with 8% market share.

### About MZA

**MZA** specialises in the provision of marketing consultancy services to the telecommunications and IT industries at a European and Global level, with expertise covering a wide range of consumer-based and professional voice, data and mobile solutions. The above information is based on an extract from our study, "The Global Telecommunications Market," widely regarded as the definitive study on equipment markets.

### For more information:

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