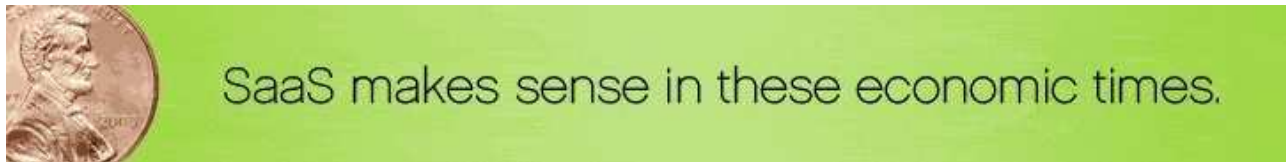


Network Management

[Activate your FREE membership today](#) | [Log-in](#)

searchnetworking.techtarget.com.au

TechTarget ANZ : Targeted Information for IT Professionals



- [News](#)
- [White Papers](#)
- [Pod/Webcasts](#)
- [Demo Software](#)
- [Articles](#)
- [Topics](#)
- [Expert Tips](#)

• Search:

•

•

- Visit other TechTarget ANZ sites:

SearchNetworking.com.au

Download this white paper to find out more about Extended Validation SSL and how your business can benefit. [Click here to download now!](#)

Webcast library NOW OPEN

[Home](#) > [Articles](#) > Avaya buys Nortel's enterprise solutions unit

Posted

Jul 21, 2009

| **By:** Simon Sharwood

Avaya buys Nortel's enterprise solutions unit

Tools: [Print article](#) [RSS Feeds](#) **Avaya will pay \$US475 million for Nortel's Enterprise Solutions unit, a move that will see it acquire the Canadian company's enterprise-class switches and routers and, according to Gary Tsang, Enterprise Communications Analysta at Telsyte, will " ...provide Avaya with a great opportunity to become the market leader in 2009 for the Australian Enterprise Telephony market, subject to Avaya being able to sustain Nortel's and its own shipment and sales level."**

“In 2008, Cisco had close to a quarter of the market, but if Avaya is able to integrate the Nortel business efficiently and retain channels of distribution, in combination with Avaya’s recent change in channel strategy and new innovative product offerings, Avaya can credibly become the market leader with close to 30% market share by the end of 2010,” Tsang added in a statement sent to SearchNetworking ANZ. “In the all important IP telephony segment, Avaya will definitely challenge long-time market leader Cisco for the number one spot in the Australian market.”

Telsyte writes that it sees "Nortel's routing and switching portfolio as the key to Avaya's future success. Avaya has struggled in the past 2 years to remain competitive in the market, losing close to 2% of market share in from 2007 to 2008," and adds that "The acquisition will provide Avaya with a strong and energy-efficient routing and switching product suite to complement its strength in telephony and applications in providing an end-to-end Unified Communication solution that Australian business decision makers are currently seeking."

Avaya's [press release](#) says announcing the deal says the company " ... believes the agreements are a significant step in strengthening its leadership in business communications and positioning the company to effectively deliver industry leading enterprise communications solutions to customers around the globe." The release goes on to quote Avaya President and CEO Kevin Kennedy as saying "The addition of Nortel Enterprise Solutions will increase Avaya's global scale, expand our channel partner network, and strengthen our world-class portfolio of products and services. This is a strategic opportunity to acquire talent and complementary assets that position the combined company for growth and success. We are committed to protecting the communications investments of the customers of Avaya and Nortel, and to effectively executing the integration of Nortel Enterprise Solutions and Avaya."

Nortel's [release tries to comfort the company's customers](#), with President and Chief Executive Officer, Mike Zafirovski stating "We continue to be fully focused on running our operations and continuing to serve our customers while actively engaged in the sale of our businesses. We have determined that the sale of our businesses maximizes value while preserving innovation platforms, customer relationships and jobs to the greatest extent possible."

Telsyte, however, believes that "...the end is near for the Canadian giant, with only the Metro Ethernet division, the Carrier VoIP business and the LG-Nortel joint venture remaining."

"We predict Nortel to re-emerge in the market as a pure services organisation in the future, providing consulting and integration service, following the IBM business model and leveraging off its brand equity," Tsang wrote.

[White Papers](#)

- [Don't get your networks in a twist: How to make WiFi work alongside your other networks](#)
- [5 Steps to Successful IT Consolidation](#)
- [Managing and Securing Converged Networks](#)
- [Magic Quadrant for application delivery products, 2007](#)
- [Grounding for Screened and Shielded Network Cabling](#)

[Related Articles](#)

- [How to build the network your business needs](#)
- [Get your network ready for cloud computing](#)
- [Pros and cons of data center virtualisation](#)
- [Self-organising networks](#)
- [Why it is important to sharpen your edges](#)

© 2009 TechTarget ANZ. All Rights Reserved. Designated trademarks and brands are the property of their respective owners. Use of this web site constitutes acceptance of the TechTarget ANZ Terms and Conditions and Privacy Policy.

[Related Articles](#)

- [How to build the network your business needs](#)
- [Get your network ready for cloud computing](#)
- [Pros and cons of data center virtualisation](#)
- [Self-organising networks](#)
- [Why it is important to sharpen your edges](#)