

.....**One on One with VRM Italia CEO Anna Ramazzotti**

We recently had a chance to meet up with some videoconferencing channel partners from Italy and to chat about the transitions ongoing in the Italian videoconferencing (VC) market. According to Anna Ramazzotti, VRM Italia CEO, the panorama in Italy is similar to the rest of Europe in terms of suffering the effects of the global economic crisis. Still VRM's year has been positive.

WRB: Briefly, what can you tell us about your company.



VRM Italia CEO Anna Ramazzotti

AR: We try to be a complete solution provider. We have been in the business since 1988 and have 25 people across two offices – Milan and Rome. VRM is a Platinum Partner and Center of Excellence for Tandberg and also is starting a collaboration with LifeSize; we have past experience with Polycom and Sony. We are Accredited Service Partner and we have a certification for Tandberg's Telepresence services.

The majority of our business is split between B2B and Government. For our clients reliable VC technology can be mission critical and that is the view we maintain at all times.

WRB: Has the economy in Italy suffered like most of the rest of the world in the past 18 months, and if so, how has this affected your business.

AR: Yes, Italy has also suffered from the financial crisis, but perhaps a little less than other countries such as the UK. I think this is because Italian companies have not been so concentrated on the public stock markets. We have seen how more and more companies have opted to invest in VC as a tool to save travel costs and speed negotiations. Our customers see their ROI very quickly. The crisis also gave VRM an opportunity to expand into new markets that would not traditionally have used this kind of technology.

WRB: In what areas have you seen an increase in videoconferencing adoption?

AR: The finance sector in Italy has been using VC more in the past year. Specifically, there have been mergers where using videoconferencing has facilitated transactions and negotiations.

WRB: Can you give an example.

AR: Sure. Look at Unicredit's deal with Banca di Roma or the merger between Italian lender Intesa and Sanpaolo bank which was carried out using Tandberg videoconferencing systems. Other important banks have increased the use of VC as for example Monte dei Paschi di Siena and Banca di Credito Cooperativo.

WRB: VRM offers end-to-end solutions, from system designs, networking and control systems to a comprehensive customer support structure. How has this impacted the company's performance?

AR: The business this year has grown 40 per cent, despite the crisis. This comes not only from room systems sales but also from infrastructure revenue. We have also been working with other companies to integrate their resources to allow for unified communications. Tandberg is our strongest VC brand, but we are seeing that LifeSize is gaining market share thanks to Italian VC manufacturer Aethra's current difficulties in the market.

WRB: So, what is the state of the market right now in Italy now that Aethra is in crisis and Tandberg may be merging with Cisco?

AR: The deal between Tandberg and Cisco is very important for us because of Cisco's ability to drive the market. We have been partners with Tandberg since 2002, so Aethra has been a competitor. Aethra has had a strong position in the Italian market mainly because of its historical relationship with Telecom Italia (TI). But VRM has had a relationship with TI since 2003 and this is becoming stronger as we manage to offer better and more tailored services for clients.

WRB: Can you explain the role of TI in the videoconferencing market. We thought they would be a competitor to you, not a customer.

AR: Telecom Italia has been involved in the VC market since the 90's. When they started they offered videoconferencing simply as an accessory for their communications offering.

A great help for the expansion of VC has been the use of IP networks. In the past TI sold connections through ISDN only and this made it very expensive for companies to adopt videoconferencing. IP networks allow TI and other carriers to diversify its network proposition and then to focus more on the functionality and benefits of the VC solution.

Now Telecom Italia and other carriers have realized that VC should be considered part of the business model and offered together with services. This is where VRM should play an important role on TI's strategy. TI doesn't buy VC directly from the manufacturer but through channel partners like us. We offer value added services and support. The synergies work very well.

WRB: What vertical markets are especially important to VRM?

AR: The finance and banking sector together with the public sector are our main areas. We also have a relationship with FastWeb, a network service provider that has important tenders on the public sector. Some of our work is in the security and military sectors too. The education market in Italy, however, is not very strong for our business. This is mainly because of the lack of government investment in this area.

WRB: How important is desktop conferencing to your business?

AR: Desktop conferencing is important because we believe it is a market driver in the adoption of VC and we think it also influences the take up of telepresence. The continued use of VC on desktops drives the market for a complete VC solution. The key is to change habits in the way business is conducted. People need to be used to visual communications and collaboration at the desktop. You didn't ask about this, but I should add that on the telepresence front, we have introduced Tandberg's T3 but so far no sales have materialized. We are expecting telepresence to start being adopted soon.

WRB: As a videoconferencing channel partner, what are the major challenges you see for your company in the next 12 months?

AR: We would like to remain competitive - on complete solutions, on prices, new technology, trends - and to expand activities. This is why we invest every year in training and we are constantly looking at implementing new procedures to increase the efficiency and professionalism of our employees. Competition is always a battle. We see that in 2009-2010 more companies are tending to use service providers like TI and FastWeb because they can pay for hardware and services in an installment model. Financing programs are a winning proposition in Italy. This is why our partnership with TI and FastWeb is very important for us.

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