Are You Ready?

Digital World

Speed… Innovation / Disruption
ARE YOU READY?

Digital World
Speed... Innovation / Disruption
“In 10 years, it’s predicted that 40%+ of Enterprise companies will no longer exist.”

Babson Olin School of Business, Fast Company
Why Companies Succeed or Fail

- Market Transitions
- Right Thing Too Long
- Reinvent
- Customer / Partner Driven
New Business Models… Pace of Change

Uber

lyft

Taxi

airbnb

Hotel

amazon.com

Retail Store

India | Israel | Europe | China

Digital Countries

PROSPER

Finance

LIQUIDSPACE

Asset Sharing

Mfg | Service | Sales | Eng | Finance

EverythingaaS

A large company of future… just CEO / CIO?
Thinking Exponentially

EXPONENTIAL

LINEAR
“Silicon Valley is Coming.” – Jamie Dimon
Every Business, City, Country Becomes Digital

Digital

Innovation ↔ Fast IT

Internet of Everything… IoT

Security
INFORMATION AGE (1990 – 2010)

DIGITAL AGE (2010 – 2030)
IoT → Digital Age → 2015 Inflection Point

Growth
Innovation
87% of CEOs think going digital is crucial. Only 7% actually have a digital strategy.
Every Business, City, Country, Home, Car, Wearable Becomes Digital

By 2020, 75% of businesses will become fully digital

Only 30% of these digitization efforts will be successful

Reason companies don’t succeed? Fail to Innovate and Reinvent
Top Challenges to Become Digital

- Company Culture
- Cooperation between Team & Silos
- Resources
- Security
We Are Ready...
ARE YOU?

Organization, Culture
- Leadership 30%+
- Sales
  - 41% Client Execs
  - Field SP Global
- Engineering 28K → 22K
  - 62 Bus → Flat
  - 24 / 92 Leaders
  - SP / Ent
- High-End R / S
- ELT... 9 of 13 new
- 2 Layers Out
- Horizontal Implementation

Speed, Process
- Innovation / Growth... Goal
- Core vs Context
- Architecture Foundation
- Agility
- Organization Change
- New Products/Winning Deals

Technology
- Architectures
- Convergence... D / V / V
  - Compute / Storage / Network
  - Apps / Network / Scale / Security
- Cloud / Mobility
- Security
- Collaboration
- IoE
Exponential Thinking…

FAST IT < 1 YEAR

- Collaboration… Spark… 70 / 18 months
- Mobility Solutions / IQ… 18 engineers / 8 months
- NG Web Routing
- Virtual Managed Services
- France… 120 Days… 7 Ministries
- GM / BofA / DT
- Verizon… Optical
- Strategic Partnerships

INNOVATION ➔ SPEED
THE INTERNET OF EVERYTHING
UNPRECEDEDENTED OPPORTUNITIES

$19 Trillion
Companies, Cities, Countries
### Fast Innovation → ‘Fast IT’… IoTWF 2014

**IoE Benefits $19T**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Benefits (T)</th>
</tr>
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<tbody>
<tr>
<td>Public Sector</td>
<td>$4.6T</td>
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<td>Manufacturing</td>
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<td>Oil + Gas</td>
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<td>Finance</td>
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# Top Use Cases By Industry

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<th>Industry</th>
<th>Market Size</th>
<th>Use Cases</th>
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<tbody>
<tr>
<td><strong>Public Sector</strong></td>
<td>$4.6T</td>
<td>Next-generation worker&lt;br&gt;Smart cities use cases (e.g. traffic management)&lt;br&gt;Physical safety and security&lt;br&gt;Asset tracking&lt;br&gt;Defense: Situational awareness</td>
</tr>
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<td><strong>Retail</strong></td>
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<td>“Fast Retail” checkout optimizer&lt;br&gt;Shopper analytics&lt;br&gt;Supply-chain visibility&lt;br&gt;Knowledge worker mobility</td>
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<td><strong>Manufacturing</strong></td>
<td>$3.9T</td>
<td>Predictive maintenance / asset tracking&lt;br&gt;Machine-as-a-service / factory-in-a-box / Cloud consumption models&lt;br&gt;Visual factory&lt;br&gt;Remote expert&lt;br&gt;Network convergence / plant-wide wireless</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td>$0.9T</td>
<td>Faculty scale and reach&lt;br&gt;Textbook digitization&lt;br&gt;Campus mobility&lt;br&gt;Faculty / student collaboration&lt;br&gt;Community Cloud models</td>
</tr>
<tr>
<td><strong>Telecommunications and Information</strong></td>
<td>$1.3T</td>
<td>IoE enablement (video, mobile, social)&lt;br&gt;Next-generation worker&lt;br&gt;Tower management / video surveillance&lt;br&gt;Fleet management&lt;br&gt;Energy management</td>
</tr>
<tr>
<td><strong>Energy &amp; Mining</strong></td>
<td>$800</td>
<td>Connected mobile workforce&lt;br&gt;Connected AMI, substation and distribution automation&lt;br&gt;Connected assets / Asset monitoring&lt;br&gt;Predictive maintenance&lt;br&gt;Secure operations</td>
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<td><strong>Financial Services</strong></td>
<td>$1.3T</td>
<td>Omni-channel sales/service transformation&lt;br&gt;Remote advisor&lt;br&gt;Next-generation worker&lt;br&gt;IT security&lt;br&gt;Cloud delivery models</td>
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<td><strong>Healthcare</strong></td>
<td>$1.1T</td>
<td>Extended care delivery models&lt;br&gt;Remote patient monitoring&lt;br&gt;In-patient monitoring&lt;br&gt;Staff mobility and security&lt;br&gt;Patient media experience</td>
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Top Use Cases By Industry

Retail $1.5T
- “Fast Retail” checkout optimizer
- Shopper analytics
- Supply-chain visibility
- Knowledge worker mobility
Digital World

- Growth
- Jobs
- Inclusion
- Education
- Healthcare
- Innovation
- Smart Cities
- Security
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<th>Area</th>
<th>Measure / Outcomes</th>
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<tr>
<td>GDP</td>
<td>1%-3% GDP Growth</td>
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<tr>
<td>Jobs</td>
<td>1M over 5 years</td>
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<tr>
<td>Inclusion</td>
<td>All citizens... Religion / Geography</td>
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<tr>
<td>Innovation</td>
<td>$200M... venture Cisco commitment... 77 startups / CES</td>
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<tr>
<td>Healthcare</td>
<td>To every home and citizen</td>
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<tr>
<td>Education</td>
<td>200K Digitization skills... Network Academies</td>
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<tr>
<td>Smart Cities</td>
<td>Paris, Nice</td>
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<tr>
<td>Security</td>
<td>Partnership with Ministry of Defense</td>
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<tr>
<td>Sustainability</td>
<td>Environment...</td>
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Unlocking the Opportunities of the Digital Economy Requires Security Everywhere
Security Is Our #1 Priority… End to End Architecture

Security Everywhere… Pervasive as IoE… Growth Engine

Network as a Sensor and Enforcer
Vision / Strategy

INNOVATION

Market Transitions

Sustainable Differentiation

Architectures

Customer Driven… “In”
Cisco’s Digital Strategy… Differentiation

Outcomes / Results

Process & Organization Changes

Cloud / Intercloud

Architectures Intelligent Networks

Compute, Network, Storage

ACI (SDN, SLN, NFV)

Security / Collaboration

Internet of Everything Big Data / Analytics

FAST INNOVATION REQUIRES FAST IT
Architectures… Accelerate Disrupt

• Speed – Business Outcomes
  – Operating / Capital Expense
• Agility… Growth
• New Revenue Generation
• Core vs. Context
• Software Architecture Commits
  DC, Security, Collaboration, IOS, ACI, SDN, NfV, IoE
Ecosystem Partnerships… Outcomes / Market Share

#1 = 12  |  #2 = 4  |  #3 = 3
Digital Boardroom / Meeting Room

Digital Age
NG Collaboration
What Does This Mean To You?

Growth Innovation

Digital Organizations

Inflection Point

Time is Now

Things, Data, Process, People

Fast IT → IoE

We Are Ready… Are You?
Call to Action

- Change the World… Digital World
- Courage to Disrupt… Or Get Disrupted
- Accelerate Your IoT Plan
- It’s All about Outcomes
- Ecosystems / Your Partners to Achieve
- Double Bottom Line… Financial + Social
- Think Big and Take Risk!

It’s Now About Acceleration
“The **Information Age** has passed. The **Digital Age** is your future.”