Ericsson signs contract for new call center solution with Telefónica

Ericsson has signed a strategic contract for its new network-based call center solutions portfolio, Cenaxis, with Spanish operator Telefónica. The contract, valued at USD 10 million (SEK 830 million), is another example of Ericsson moving up the value chain, working closely with network operators to introduce new innovative services.

Ericsson will provide Telefónica with a total solution, based on its CenaxisTM portfolio. The portfolio includes the network integrated Customer Interaction Platform, which enables a wide range of customer interaction services -- and provides virtual call center functionality from the network.

The contract includes providing 1,800 agent positions distributed over six sites, linked to Telefónica's Directory Assistance service.

Cenaxis is an Ericsson total solutions portfolio for network-based customer interaction. It is especially designed to meet the new needs of network operators, service providers and their business customers, such as multimedia interaction and business specific services.

The new product portfolio can be implemented in all public networks – fixed and mobile, IP-networks, Internet and extranets. Intelligent Networks (IN) and non-IN. It enables network operators and service providers to offer enterprises a tool for increased levels of flexible customer service.

Operators and service providers can benefit from the potential to provide new services to their business customers, such as outsourced call center capabilities, whilst at the same time using the same network-based call center functionality to address their own customer service needs and improve its business and competitiveness.

"There has been a shift in the way companies are seeking to expand, retain and penetrate their customer base. Human contact is a key element in the dialogue with current and potential customers. Cenaxis, with its ability to work over all networks, efficiently delivers this," says Julio Bran-Melendez, Director, Value-Added Services, Ericsson Network Operators and Service Providers.

Ericsson is a leading provider of call centers, offering both network-based and customer premises-based solutions, which are sold worldwide.

Ericsson is the leading provider in the new telecoms world, with communications solutions that combine telecom and datacom technologies with freedom of mobility for the user. With more than 100,000 employees in 140 countries, Ericsson simplifies communications for its customers – network operators, service providers, enterprises and consumers – the world over.

Please visit Ericsson's Press Room at: <u>http://www.ericsson.se/pressroom</u>

Cenaxis is a trademark of Telefonaktiebolaget LM Ericsson

FOR FURTHER INFORMATION, PLEASE CONTACT

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Additional Information

Network-based call center services will generate more than USD 3.5 billion in annual revenues for service providers by 2005, estimates industry analyst firm Ovum. The figure for 1999 is some USD 470 million. By the year 2000, 70 percent of call center activities will use several media combined, estimates industry analyst firm Datamonitor.

Ericsson's Customer Interaction Platform, one of the enabling technologies in the Cenaxis portfolio, incorporates multimedia capabilities and centralized routing with all Automatic Call Distribution (ACD) functionality. Users can develop their customer interaction strategies to address the emerging e-commerce market, as well as the more established medium of voice. All of this is achieved through capability that resides in the network, where this has more traditionally been based in the customers' premises.

Fluctuations in business trends and seasonal differences can affect call center performance and profitability. By using the flexibility of Ericsson's Customer Interaction Platform, operators and businesses can very quickly modify their call center in line with these trends and fine tune the call handling function as required. The Cenaxis portfolio also enables remote or home-working agents to be part of a call center on equal terms with those located centrally.

The Ericsson Cenaxis Customer Interaction Platform provides many features that, when combined, distinguish it from more conventional solutions, including:

- Distributed Call Center architecture
- Centralized routing and ACD functionality

- Allows retention of existing customer premises equipment
- Virtual call center support
- Multiple network integration capabilities including Web integration
- Computer Telephony Integration (CTI) in the public network
- Utilization of power of Network Intelligence features
- Fully integrated total solution

With the growth of multimedia such as the Internet as a channel for customer interaction, pulling all these areas together in the network allows technologies to be combined in a seamless single entity. A wide variety of contact methods can be used to make contact with the agent over the same medium. Ericsson can build and integrate the most suitable solution with Cenaxis, whether the contact method is a telephone call, a web reply, a fax or an e-mail.

Ericsson is also a leading provider of call center solutions sold directly to the enterprise market, delivering over 10 solutions every working day. Solutions span from small to very large ones.