

Ericsson and Compaq form strategic partnership to build next generation switches based on AlphaServers

Ericsson and Compaq Computer Corporation, two of the world's leading companies in telecommunications and high-performance computing, have formed a strategic partnership to jointly develop and build advanced switching computers for Ericsson's AXE-based next-generation wireless and wireline networks. These switches, which are the powerful computers at the heart of telephone networks, will incorporate Compaq's high performance AlphaServer™ and Tru64™ UNIX® technology.

By using standards-based technology, Ericsson is better able to meet the ever-increasing demands for call-handling capacity in its AXE-based switching solutions. With the powerful and scalable Alpha™ technology embedded in its next-generation network switching infrastructure, Ericsson will be able to get to market quickly with innovative solutions - and grow the capacity seamlessly as subscriber volume increases.

"We chose to partner with Compaq because of the superior performance of Compaq's Alpha technology. As a leader in the field of telecommunications, we feel it is vital that we cooperate with a leader within high-performance computing, to be able to drive the new, powerful evolution of telecommunications," said Mats Dahlin, Executive Vice President of Ericsson, head of Division Mobile Systems.

"Going forward, as we build our next generation networks, Compaq's extensive high-performance computing experience will be extremely valuable to Ericsson, and our customers will benefit from this new, exciting cooperation," Dahlin continued.

"This is a significant milestone in the evolution of our strategic partnership. Ericsson and Compaq are coming together at the nexus of two major trends in telecommunications: the rise of standard-based technology and the explosive growth of converged wireless communications.

"If you combine Ericsson's industry leadership, Compaq's Alpha technology, and our own expertise in network infrastructure, plus the proven ability of our two companies to work together as carrier grade partners, you have very good news for customers," said Bill Heil, Vice President and General Manager, Compaq Business Critical Server Group.

The partnership announced today expands an already close relationship between the two companies in which Compaq provides Ericsson with a broad range of products and services, including desktops and high-end network systems as well as professional services. The initial phase of today's milestone agreement spans four years.

The new Ericsson switches will meet the requirements of CompactPCI (cPCI), a fast-growing platform architecture that delivers the advantages of standards-based servers: high performance, cost-effectiveness, scalability, and configurability. Compaq's cPCI platforms are based on Alpha technology and are available as fully integrated systems, including storage and communications-specific components. These cPCI products are supported worldwide with Compaq integration assistance and professional services and support.

In addition, the Alpha platforms Compaq delivers to Ericsson will be compliant with NEBS Level 3 specifications for housing switching equipment in central office installations.

Compaq is now shipping prototype systems, and will begin volume production in 2001.

Ericsson is the leading communications supplier, combining innovation in mobility and Internet in creating the new era of mobile Internet. Ericsson provides total solutions covering everything from systems and applications to mobile phones and other communications tools. With more than 100,000 employees in 140 countries, Ericsson simplifies communications for customers all over the world.

Read more at <http://www.ericsson.com/pressroom>

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About Compaq

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Compaq products and services are sold in more than 200 countries directly to businesses, through a network of authorized Compaq marketing partners, and directly to businesses and consumers through Compaq's e-commerce Web site at <http://www.compaq.com>. Compaq markets its products and services primarily to customers from the business, home, government, and education sectors. Customer support and information about Compaq and its products and services are available at <http://www.compaq.com>.

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