

The AT&T Telepresence Solution: Transforming Business at AT&T

Executive Summary

AT&T has adopted telepresence as both a service offering for customers and as a key communication tool for use within the AT&T enterprise. This paper details the gains AT&T has achieved from using the AT&T Telepresence Solution: improved productivity, increased business velocity, controlled costs, strengthened business relationships and reduced environmental impact.



Collaboration at Work at AT&T

AT&T builds success from multiple elements: advanced technology, solid financial resources and an effective business plan, carried out by skilled and energetic people.

Uniting all of these are the critical elements of communication and collaboration. Effective communication enables business teams to generate new ideas; collaboration enables them to work through issues and share their plans and progress. Communication and collaboration are key to ensuring people, financial resources and technology are deployed when and where they are needed to help the corporation best serve its customers.

AT&T utilizes a variety of collaboration technologies: email and IM; audio, web and video conferencing, to name a few. As a highly effective collaboration tool, video conferencing is playing an increasingly important role. Eye-to-eye contact, gestures and body language are essential parts of the communication experience. Only full-motion video comes close to achieving the benefits inherent in a face-to-face meeting.

Recently a new and greatly enhanced video conferencing technology has been developed, called telepresence. Unlike earlier solutions, telepresence creates the impression that remote parties are actually meeting face-to-face at the same conference table. The result? The ability for participants to communicate and collaborate is taken to a whole new level. AT&T realized the potential of this groundbreaking technology and developed the AT&T Telepresence Solution, the first fully managed business-to-business telepresence application powered by AT&T's industry-leading, global MPLS network.

Defining the AT&T Telepresence Solution

The AT&T Telepresence Solution provides significant improvements over traditional video conferencing. Multiple high-definition video screens are arranged to give participants the sensation of sitting "across the table" from one another. Meeting rooms share a common design and compatible color scheme. The combination of actual sized images, matching environments, spatial audio and high-definition video create an immersive experience and a real sensation of being "face-to-face." As a result, participants are able to experience the same non-verbal communication cues, such as body language and facial expressions, as if they were in the same room.

AT&T Telepresence Solution facilities are designed and engineered for multi-site meetings. When more sites are engaged than video screens can display, some rooms are hidden until a participant speaks. Within seconds, the video screens will switch to display the person speaking. The high-definition audio realistically replicates sounds – if someone on the left side of the table speaks, participants hear the sound on the left. This further enhances the impression of an in-person meeting.

AT&T managers can easily set up intracompany telepresence meetings or intercompany "meet me" meetings with partners, customers and suppliers using the AT&T Business Exchange capability of the AT&T Telepresence Solution. For highly sensitive meetings, connections can be encrypted to ensure security. Telepresence conferees can also share images, video and audio content, as well as bridge in web conference and audio conference participants.



Convenience and flexibility are important parts of the package. Telepresence is designed to be as easy to use as making a phone call. Scheduling meetings is simple and convenient, and can be integrated with Microsoft Outlook or Lotus Notes. Simplified meeting scheduling and "one button to push" dialing contribute to the high utilization of telepresence rooms.

An Increasing Reliance on Telepresence

AT&T is a global company with employees and customers located around the world. AT&T has found that the in-person experience provided by telepresence enhances collaboration and strengthens bonds between geographically separated participants, while eliminating travel time and expense. Telepresence has become very effective in supporting and enhancing the following activities:

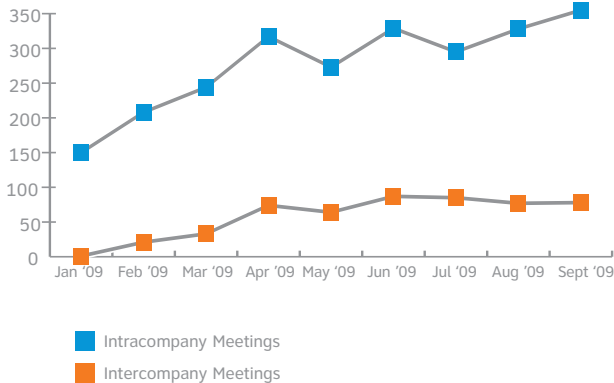
- Executive meetings
- Sales presentations/product demos
- Remote customer service support
- Supply chain management
- Product design and development
- Customer focus groups
- Access to subject matter experts
- Advertising campaigns

Art Kirchoffer, Executive Director of Risk Management, Finance; uses AT&T Telepresence Solution for staff meetings, stewardship meetings and quarterly business reviews. Art noted, "AT&T Telepresence Solution provides a face-to-face engagement with decentralized co-workers, direct reports and key suppliers without incurring travel costs. We envision expanding our use of telepresence to include meetings with brokers, insurance companies and key suppliers through the AT&T Business Exchange."

AT&T has installed 46 telepresence rooms globally. Since the beginning of 2009, an average of 337 meetings have been held each month, typically engaging three rooms per meeting. Rooms are in use approximately 50 percent of the time, and usage is growing. To accommodate the projected growth, the company is installing additional telepresence rooms in company locations around the world.

2009 Telepresence Usage Growth at AT&T

Number of Meetings



Transforming Business at AT&T

Employees in different areas of the company are using telepresence in a variety of ways, including collaborating with customers, suppliers and partners on the AT&T Business Exchange – an exclusive intercompany collaboration feature of AT&T Telepresence Solution. Below are some examples of the resulting value they have derived from using telepresence.

Improved Productivity

Project teams can collaborate easily and effectively, regardless of distance. Without the need for travel, executives and subject matter experts can spend more time being productive.

Earlier this year, AT&T Chairman, Chief Executive Officer and President Randall Stephenson told the Wall Street Journal, "Telepresence is the most exciting technology in enterprise business today." In fact, air travel for AT&T's executive team is down 20% year over year. Mr. Stephenson uses AT&T Telepresence Solution for weekly staff meetings, customer meetings, partner meetings and more. He was even able to attend an AT&T CIO Forum via telepresence when scheduling conflicts would otherwise have prevented his participation.

Increased Business Velocity

Telepresence participants share information and communicate quickly, helping AT&T to improve the quality and speed of its business decisions. Telepresence helps the company launch new products and marketing campaigns faster by enhancing collaboration on projects that require consensus, visual reviews and input on multiple iterations.

John Nordberg, AVP Marketing Management, remarked that AT&T Telepresence Solution helped reduce the cycle time while developing an advertising campaign with DDB Marketing based in Chicago and St. Louis. All told, the DDB team conducted eight telepresence meetings with their AT&T Business Solutions clients, replacing 52 roundtrip airline flights and delivering an estimated cost savings of more than \$32,000, while delivering a reduction of CO2e emissions estimated at 26.2 metric tons.*

In addition, telepresence enabled better output by enhancing interaction and allowing the AT&T team to provide more meaningful feedback on the design concepts. According to John, "The collaborative nature of telepresence allowed us to participate more fully in the design process. Plus, the team saved time that would have been spent traveling, and that time led to better work. The DDB team was able to use the extra time to make refinements to the campaign instead of flying to AT&T offices in New Jersey for face-to-face meetings."

Controlled Costs

Telepresence meetings enable people to collaborate as if they were meeting in-person, without the expense of travel. When you add in the productivity gains, accelerated decision making, faster product development and time to market, the financial value of telepresence quickly adds up.

When charged with screening Leadership Development Program interns for full-time offer consideration, Cindy Williams, Associate Director-Leadership Development, chose telepresence as an effective solution to conduct 19 "face-to-face" interviews between interns and senior leaders, resulting in savings of over \$17,000.

Cindy also used telepresence to give the interns exposure to senior leaders in disparate locations. The interns and senior leadership were very pleased with the telepresence experience.

Cindy confirmed, "The telepresence meetings were as effective as face-to-face meetings. The telepresence meetings were more effective than conference calls where people are tempted to multi-task – and better than video conferencing which is still hampered by awkward delays. AT&T Telepresence Solution is a very efficient and cost effective way of conducting business."

Strengthened Business Relationships

Telepresence conferencing enables managers to meet "face-to-face" more frequently. Participants can collaborate through telepresence even when an in-person meeting would be impractical. Meeting more frequently can help build trust and foster closer relationships with business allies, customers and suppliers.

In addition, the quality of communication among telepresence participants is improved. Participants can literally look each other in the eye and gauge the level of commitment and understanding. This can be particularly valuable in cross-cultural communication where non-verbal cues can be more meaningful. The result is stronger relationships, which lead to a stronger platform for business growth.

Matt Monahan, Executive Director-Financial Analysis, uses AT&T Telepresence Solution twice a month for meetings with senior executives. The face time is extremely valuable, but traveling to these meetings would be impractical and cost prohibitive. AT&T Telepresence Solution allows Matt to participate as if he were in the same room. Matt appreciates the flexibility afforded by telepresence – he can easily share a variety of meeting materials with participants.

Matt says, “One of the most valuable benefits is the ability to monitor the room while I’m presenting, which is not possible on a traditional conference call. I can see the facial expressions and body language of my audience and can tailor my delivery accordingly. This feedback is simply not possible on a conference bridge.”

Matt also reported that the technology is easy to use and the reliability has been flawless.



Reduced Environmental Impact

Telepresence also helps AT&T advance its commitment to minimize the company’s environmental impact. The company estimates that its initial deployment of 50 rooms will reduce CO₂e emissions by approximately 31,000 metric tons over the next six years* – an amount roughly equal to the emissions generated by 5,732 passenger vehicles for a year. Offering the technology as a service helps AT&T further its goal to offer sustainable solutions to its customers.

The AT&T Regional Advisory Council (RAC) in Asia/Pacific brings enterprise customers together in a face-to-face meeting twice each year to discuss AT&T initiatives and provide feedback. Customers pay their own travel and lodging expenses to attend the meeting. In 2009, however, many customers said that spending restrictions in their companies would prevent them from traveling to the event. AT&T responded by convening a virtual RAC meeting using telepresence technology.

The meeting brought together 21 participants located in 10 cities, on four continents. The four-hour virtual meeting received high ratings from participants for the level of interaction and collaboration the technology afforded. In addition to providing a more productive use of council members’ time, meeting through telepresence reduced emissions by an equivalent of more than 62 metric tonnes of carbon dioxide (CO₂e)* and saved participants more than U.S. \$100,000.

Conclusion

Telepresence has become an important tool for communication and collaboration at AT&T. This user-friendly technology provides enhanced communication with a natural feel – it is the closest thing to being there. It offers AT&T dividends in improved productivity, reduced environmental impact and a positive cost/benefit ratio that in-person meetings just can’t match. Although face-to-face meetings are generally preferred for activities such as initial meetings, contract signings and multi-day agendas, or to provide informal networking opportunities, telepresence has proven itself as an effective collaboration tool perfectly suited for the fast pace of business today.

For more information contact an AT&T Representative or visit www.att.com/telepresence.

*Carbon calculations derived by Cisco’s IBSG using TRX Airline Carbon Emissions Calculator (<http://carbon.trx.com/Home.asp>), plus a standard calculation for the impact of avoided ground transportation from the airport to the meeting and back, less the impact of Telepresence energy usage and carbon start up and disposal. Note: Ground transportation to/from the Telepresence location or to/from the airport were assumed equivalent to participants’ normal daily commutes, and thus, offset each other.