

**New Alcatel-Lucent book “The Shift” maps the future of Web 2.0 and the role of service providers in it**

*Market research highlights how new global business models are key to success; \$100 billion in potential new revenue in the U.S. market alone*

**CableLabs Summer Conference 2010, Keystone, CO, August 16, 2010** - Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced the book launch of *The Shift: The Evolving Market, Players and Business Models in a 2.0 World*. This powerful new book, which draws on a wealth of research and features a forward by Marshall Kirkpatrick of ReadWriteWeb, a leading mind in the application developer community, discusses how the emerging ecosystem of service providers, developers, advertisers, consumers and business uses stands to benefit when smarter networks are used as development platforms. The resulting potential market opportunity is as much as \$100 billion within the U.S. market alone.

At its core *The Shift: The Evolving Market, Players and Business Models in a 2.0 World* analyzes the rapid pace of consumer technology adoption and its impact on service providers, enterprises, application developers, content providers, and handset manufacturers as they scramble to meet the exploding demand for bandwidth and Web 2.0 service access anytime, anywhere and over any device. It cites market research commissioned by Alcatel-Lucent to demonstrate how a collaborative communications ecosystem is necessary to address the challenges of consumer, enterprise and vertical markets currently limited by industry fragmentation.

“*The Shift* is the result of over a year of research and analysis and maps a compelling and profitable future for both the service provider and application developer in the Web 2.0 world,” said Allison Cerra, head of marketing for Alcatel-Lucent Americas and one of the book’s authors. “Specifically we outline how additional value is inserted into the ecosystem when service providers expose intelligent network capabilities. The resulting benefits are clear for everyone -- end users, developers, advertisers and service providers. It requires an approach where consumers have control of their experience, developers benefit from enhanced capabilities, and service providers monetize their investments to fuel future innovation.”

“This book is a good and thorough analysis of how and why intelligent, instrumented networks could prove a valuable foundation for a whole new world of innovation online,” said Kirkpatrick.

Sample key findings:

The book’s research shows consumers, developers, enterprises and vertical markets are willing to pay for network-based features and there are broad societal benefits within government, healthcare and education when applications innovation is accelerated. Among the book’s findings:

- Parents, social networkers, online video enthusiasts and gamers value applications that incorporate network-based intelligence. They will pay 25-35 percent more for a service with three capabilities operating simultaneously vs. a service with one capability.
- Over 50% of consumers are comfortable sharing sensitive profile information, such as location, presence and online behaviors, with their mobile provider.

- Nearly 50 percent of commercial developers would use network-based APIs and are willing to pay twice as much for APIs bundled together vs. those sold separately. Enterprise IP developers will pay up to three times more.
- A third of U.S. advertisers would use network services that enable them to deliver advertisements across social media sites based on user interests and behaviors.

Despite the complexities created by today's industry fragmentation, the book found consumers are stringing together different services and devices, convinced it is worth both their time and money. For example, watching a video today often requires consumers to: load the video onto a mobile video device like an iPod; watch on-demand streaming video over their PC or hook it up to their television; access the video directly on their TV if they have a set-top box or special Internet-equipped DVD player. This complexity can be eliminated to provide a seamless, enhanced service experience when the intelligent networks of service providers are leveraged.

Cerra and the book's co-author, Christina James, who also supports Alcatel-Lucent marketing, analyzed commissioned primary research and secondary market data to gain an in-depth and objective view of the industry before writing the book. *The Shift: The Evolving Market, Players and Business Models in a 2.0 World* can be obtained at [www.theshiftonline.com](http://www.theshiftonline.com).

#### **About Alcatel-Lucent and its activities in enabling this new ecosystem**

Alcatel-Lucent is aggressively working to reduce industry fragmentation by helping service providers, enterprises and developers work more closely together in the creation and delivery of new end-user services. Since December 2009, Alcatel-Lucent has announced its [API Exposure Suite](#), [Developer Platform](#), [Open API Service](#), [Multi-screen Video Solution](#), [Multi-screen Foundation Solution](#) and [Optism™ Mobile Advertising Solution](#), as well as the [acquisition of ProgrammableWeb](#) to provide an end-to-end means for building a broad ecosystem. These toolsets and the addition of the book *The Shift: The Evolving Market, Players and Business Models in a 2.0 World* advance Alcatel-Lucent's [Application Enablement vision](#), which is focused on combining the trusted and secure network capabilities of service providers with the speed and innovation of the Web to provide a richer end-user experience.

#### **About Alcatel-Lucent**

Alcatel-Lucent (Euronext Paris and NYSE: ALU) is the trusted transformation partner of service providers, enterprises, strategic industries such as defense, energy, healthcare, transportation, and governments worldwide, providing solutions to deliver voice, data and video communication services to end-users. A leader in fixed, mobile and converged broadband networking, IP and optics technologies, applications and services, Alcatel-Lucent leverages the unrivalled technical and scientific expertise of Bell Labs, one of the largest innovation powerhouses in the communications industry. With operations in more than 130 countries and the most experienced global services organization in the industry, Alcatel-Lucent is a local partner with a global reach. Alcatel-Lucent achieved revenues of Euro 15.2 billion in 2009 and is incorporated in France, with executive offices located in Paris. For more information, visit Alcatel-Lucent on the Internet: <http://www.alcatel-lucent.com>, read the latest posts on the Alcatel-Lucent blog <http://www.alcatel-lucent.com/blog> and follow us on Twitter: [http://twitter.com/Alcatel\\_Lucent](http://twitter.com/Alcatel_Lucent).

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