

Rewarding work for Cisco VARs

Resellers welcome plans from new UK channel boss Richard Roberts to reward the worthy. Sam Trendall finds out more

"Esteem must be founded on preference: to hold everyone in high esteem is to esteem nothing."

17th century French playwright Molière's quote may be more than four centuries old, but it could still be epithetic for networking giant Cisco's partners this year.

Richard Roberts took over as head of the vendor's UK and Ireland partner organisation in August. Speaking to CRN a few days before Christmas, the channel boss explained that "preference" would be the watchword this year.

Ensuring that Cisco is a preferred vendor for resellers is one side of the coin. "Can they prove they have the capability to bring certifications to market? Can they make sure our sales guys get paid?" explained Roberts.

But more important is rewarding VARs commensurately for their efforts in the field.

"If there is an opportunity [Cisco] does not see, [partners] should see some preference in pricing," he added. "We are gearing our high-touch guys, we are driving them as part of their personal sales metrics to bring the preference in [earlier]. The best salespeople do that anyway."

Paul Sweeney, managing director of Gold partner ANS Group, welcomed the greater focus on committed and proactive partners, and the moves towards a more efficacious deal registration programme. "I think they need to do it, and they are doing it. I have been asking for this for two years, and Richard is delivering," he said.

"But they have rebate programmes that incentivise certain areas above others – I know unified communications gets a lot of focus. I would like to see the datacentre given equal focus, but I guess they are doing that in other ways."

Fast and simple

Paul Cobby, managing director of Premier partner Besttel, claimed he would welcome "faster deal registration processes and a simplification of back-end promotions".

"Cisco has moved some processes offshore and the length of time to get deals approved has actually increased rather than decreased," he explained.



In demand: Richard Roberts, head of Cisco's UK and Ireland partner organisation, says "preference" is this year's watchword as he aims to increase the vendor's attractiveness to resellers

Mark Johnson, managing director of Premier partner ConvergeOne, welcomed the plans to tighten the deal registration process. The vendor's array of programmes and structures can be tough to navigate for partners, he added, with Q1 traditionally being a harder quarter in which to push through sales, as Cisco's back-end systems are retooled for the new fiscal year.

"If they can address that, it will be a big plus – very, very positive," he said. "But if you are on the ball with the Cisco deal registration programme, you stand to make a lot of money and get more preferential treatment. With other vendors, it is a bit more loose than that."

Cisco: at your service

Cisco recently published its *Services Rules of Engagement*, outlining rules and best practice for both the vendor and its partners in areas such as joint account planning, coverage models and the availability of certain tools and services. Roberts claimed the document is "very flexible and not dogmatic".

"The document is not new, we are just codifying what good practice has always been," he added.

Tony Butler, chief technology officer at Cisco-focused third-party services player Intact, claimed he has recently seen a step change in the vendor's approach to services.

"If you had asked me a year ago, my answer probably would have been different. But, over the past few months, Cisco seems to have woken up to the fact that the services market is a key factor in gaining market share," he said.

Cisco currently addresses the services space in two specified ways. The first is customer-led: a high-touch model for about 500 "transformational accounts", a collection of customers with pan-global footprints that were first defined in 2010.

Partner-led sales are the order of the day for all other customers.

Roberts claimed that Cisco does not add swathes of customers to the transformational account list, and that smaller resellers are not precluded from getting involved in delivery to these customers.

"We do not have customers flooding in [to the transformational accounts]. We have more going out: when the customer's power base shifts →

[towards one country], we look at moving it," he said. "[Partners] can be the large SIs, such as DiData, or smaller players that have a vertical niche. We do not exclude any engagements; the customer is the ultimate arbiter."

Cisco is also striving to tout its credentials as a channel-friendly vendor in the cloud space. It launched the Cloud Partner Programme at its global partner get-together in the US almost a year ago, and the scheme includes three layers: Cloud Builder, Cloud Provider and Cloud Reseller.

Roberts claimed that 41 partners across EMEA are already on board with the programme. Unlike rival vendors, Cisco allows VARs to show off their range of cloud skills, rather than simply reselling a packaged offering, he added.

"It tends to be mid-market driven — those partners are the ones that are really seeing the opportunity," said Roberts. "There are certain [key] verticals, higher education being one, as they have [a lot of] VDI environments."

Cloud solutions

Steve Palmer, data solutions product manager at Silver partner Azzurri Communications, claimed Cisco is on point with its approach to cloud and services. "It is not so technology-oriented — as Cisco's marketing has tended to be previously — but looks at the real-life issues that end users are facing and challenging their IT departments about," he explained.

Steve Browell, EMEA vice president of services at Gold partner Insight, declared himself a fan of Cisco's recently launched CloudVerse framework.

"The ability to use CloudVerse to provide predictable quality of service is clearly a key component of any off-network/cloud solution, and Cisco appears to have a great capability



CISCO'S TOP 5 PRIORITIES IN 2012

- 1 Refocus on core routing, switching, security, wireless and services
- 2 Collaboration
- 3 Datacentre virtualisation
- 4 Business architectures
- 5 Video

here, doubtless backed by its networking heritage and product range," he said.

Back on track

Cisco has long been something of a duck on the waters of the IT industry: the furious paddling taking place out of sight as, in the eyes of observers, it glided serenely along.

For the past 17 years it has had stability at the top, with John Chambers providing a somewhat more understated leadership than contemporaries such as Larry Ellison, Steve Ballmer and the late Steve Jobs. It has also always had something of a Midas touch with new markets and emerging technologies; at least, it is now hard to imagine the switching, IP telephony or end-point security markets without Cisco.

But 2011 was uncharacteristically turbulent for the networking giant. In April Chambers sent his 60,000-plus staff a letter outlining how poor operational execution had caused the firm to "lose credibility".

Three months later, the vendor shed 11,500 full-time staff, with 5,000 being hived off to Foxconn and another 6,500 axed.

The company has also trimmed and remodelled its consumer operations, melding them more closely to core B2B divisions. Its consumer-focused Flip camera and umi conferencing products, as well as its email platform, have all been axed.

Operating profits have also declined year on year in each of the three sets of quarterly results published since April. But Chambers has claimed that the majority of the restructuring is complete and that his firm enters 2012 in prime condition for growth.

Roberts explained that, at a UK level, the restructuring process is long since concluded.

"The programme we used to restructure was done on a voluntary basis. That allowed us to act quickly, sensitively and with empathy for our employees, with minimal — I would say no — impact on the partners," said Roberts. "We are absolutely through that and we are fit and ready for business."

Examining the macroeconomic landscape, he claimed the VARs have some cause to be hopeful, particularly at the upper end of the market.

"I would categorise what we are seeing as cautiously optimistic," he said. "The commercial/mid-market [area] is showing some healthy signs. The south of England is rising faster than the north, but that is just a phasing thing."

"In the enterprise, the top 300 or so corporate customers are looking at really strong growth. That is about getting your network ready for the kind of decisions you will have to make."

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Paul Sweeney, ANS Group