

The 2005 Branch Office Market Landscape Report

Report Prospectus

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I. Introduction

Main Street of a typical US city is lined with the branch offices of Fortune 1000 enterprises. These branch banks, insurance agencies, retailers, restaurant and fast food chains, gas stations, convenience stores and travel agencies are the extremities of networks originating thousands of miles away in headquarters data centers. During the dot.com exuberance, building Web and network infrastructure occurred at a frantic pace while branch office network and IT support got relatively little attention and even less budget allocation. As enterprises have recovered from the dot com hangover and the broader economic slowdown, IT strategies and budgets have focused on re-engineering branch office technology infrastructure for improving both business effectiveness and cost-efficiency.

More than half of the employees of Fortune 500 companies are located away from the main corporate campuses. Unfortunately, many of today's branch offices are poorly served with network bandwidth and computing infrastructure, making branch office applications often the Achilles Heel of application deployment. During the heyday of the dot-com era, Web systems were overbuilt while branch office infrastructure was starved. To realize the benefit of today's Web enabled applications it's essential that the target users have effective network access to the application servers (typically at the headquarters data center), since only then can the older, less-efficient, "manual" process be eliminated and the full cost savings of the application reaped. Universal access is essential, and that means everywhere.

All of this rolls up into what seems to be a clear imperative for enterprise action in 2005, including strategy re-evaluation, and then investment and deployment. Internet Research Group has completed a new market opportunity and analysis study on the evolving Branch Office market. Subscriptions for this new report are now available. Subscribers to *The 2005 Branch Office Market Landscape Report* receive:

- A special applications analysis briefing, with a deep look into present and future applications that will drive branch office requirements
- A comprehensive market segmentation and sizing information
- On-going access to the study team
- A comprehensive strategic briefing with the study team

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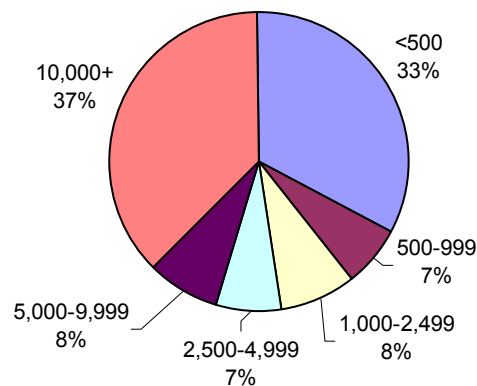
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II. Market Overview

Spurred by the demand for improved performance, availability, robustness and security for increasingly-valuable, network-enabled applications, while at the same time forced to carefully rationalize and prioritize IT and communications expenditures, enterprises are taking serious looks at how they should provision and manage information and communications assets for branch office locations in domestic and international markets. The requirements and solutions are an integration and consolidate of diverse technologies that up until now have been largely found as independent, point solutions.

Building on IRG's proven experience in this highly valued market, this report will define and analyze the leading US branch office market segments. Using US Census Bureau numbers, there are approximately 5.7 million businesses in the US employing 112 million people at 7.2 million locations. This translates to roughly 1.5 million remote offices, mostly operated by large companies.

Distribution of Branch Offices By Employee Size
Total = 1.5M Branches



This report will examine each of the key market segments operating remote offices in the US to determine which factors are drivers for branch office infrastructure investment in the foreseeable future. Each segment analyzed will include a comprehensive listing of the owners/operators of the largest branch office networks. The nine segments studied in this report are:

- Retail – General Merchandise, Specialty Retailing and Grocery/Pharmaceutical
- Hospitality
- Restaurant – food service including Quick Serve
- Banking
- Securities
- Insurance
- Information Technology
- Healthcare
- Education – K-12 and Higher Ed

Combined, these segments operate more than two thirds of the remote office sites in the US.

III. Report Objectives

The object of *The 2005 Branch Office Market Landscape Report* to answer these vitally important questions:

- What is the market opportunity? What are the major categories of Branch Office Subsystem Infrastructure? How will a Branch Office Subsystem platform emerge? How does such a platform fit into other system architectures?
- What are the present and future applications for Branch Office Subsystem technology? How has this perspective changed over the last 12-18 months?
- What drives demand for Branch Office Subsystem products and technology? What is the customer value proposition? How do customers measure and value the use of Branch Office Subsystem technologies?
- What are customers planning to build and how will they use Branch Office Subsystems? What do the vendors have to do to educate the marketplace (and computer system vendors) about the benefits of Branch Office Subsystem Infrastructure?

- How does Branch Office Subsystems interact with mainstream enterprise applications?
- What are the key market segments? Who will buy these products and why?
- Who are the participants in this market and how do these new opportunities relate to their existing businesses? How will the market divide up?

IV. About Us

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Internet Research Group provides marketing and strategy research reports and consulting services, specializing in areas related to Internet infrastructure. IRG offerings combine the formidable and unique experience and perspective of the two principals: John Katsaros and Peter Christy. At IRG, John and Peter produce definitive, early studies of the emerging markets in Internet infrastructure. Their clients for this work included most of the participants in the markets.