

By Martyn Lewis, Teliris co-founder and European chairman

EUROPEAN CXO

Martyn Lewis CBE, former TV news anchor, now European Chairman of Teliris Inc., offers his take on the challenges facing Telepresence.

5 February 2008 — For almost 40 years, communication has been my business – whether on the road as a reporter, anchoring the UK’s foremost evening TV news programmes or, more recently, as co-founder and EU Chairman of Teliris, a major pioneer and now the global market leader (see box) in this remarkable, Star Trek-type business space known as “telepresence.” But for the purposes of this article, I shall try my best to replace my chairman’s hat with my old journalist’s pen, and describe in as unbiased a way as possible the issues, experiences, challenges and questions that are shaping this rapidly evolving and exciting market.

Even today, TV news bulletins regularly feature stuttering videophone reports in which the value of the on-the-spot journalism is rated more highly than the quality of the technical means by which it is delivered. Similarly, in business, sound delays, picture break-up, freeze frames and the technician in overalls trying desperately to restore a lost signal have conspired over the years to diminish the reputation of conventional videoconferencing in the eyes of those who need it most. Offices of many global companies are littered with video-conferencing suites that are lucky to achieve 30 percent usage at best. Executives who installed those suites with the express aim of reducing their travel bill end up continuing to fly for face-to-face meetings.

Telepresence has the capability to change all of that. Instead of human beings adapting their behaviour to the limitations of the TV screen at the end of the board room table, it is now possible for companies to install telepresence systems that reflect the way people act in a natural setting. This enables companies to hold meetings at the drop of a hat with colleagues in almost any part of the world - with no detectable sound delay, high definition quality pictures, eye-to-eye contact with across the system and the ability to interrupt someone at will. It is hardly surprising that telepresence has been called the ‘Holy Grail’ of corporate communications - a reputation validated in spades by the recent arrival in the telepresence market by vendors as mighty as Cisco and Hewlett Packard. But it’s important to remember that smaller companies had telepresence up and running long before these corporate giants decided it was even worth researching. It is those early sales that are now delivering detailed customer case studies that underscore the scale and value of the telepresence advantage.

One major pharmaceutical company has reduced its travel bill by over \$20 million a year (with additional savings every month). On top of that, because its research scientists around the globe can meet at a moment’s notice, this company is taking drugs to market at least six months faster than before and reaping all the financial benefits that brings.

An educational publisher praises its telepresence system for bringing together for the first time a group of people previously unable to meet for lengthy serious discussion because of busy schedules and distance constraints. The result was the formation of a

new company that is now delivering 25 percent of their global profits. A major investment bank found its senior management increased the fee earning time they spent with clients by 10 percent. And within days of installing a global telepresence network, the boss of another bank not only shredded a big slice of his executives' travel schedules, but called his wife to say that he and his executive team were going to use the system instead of meeting in Asia for their annual brainstorming – which meant he would be at home to celebrate his daughter's birthday for the first time in several years. This is one example of the clear effect telepresence has on work-life balance for C-level executives – a subject of much debate at the recent Davos gatherings.

Telepresence also properly addresses what are arguably the three biggest current concerns of global business: delays caused by increased airport security; the very real threat of a global killer 'flu pandemic which could ground many airlines; and the growing environmental pressure on companies from governments and public opinion. Already some companies are finding that telepresence helps achieve carbon neutrality goals that have become increasingly important in recent months. In the last 12 months, Xchanging, a business processing services company, used Teliris's VirtualLive™ system for 681 meetings which would otherwise have needed at least 200 flights between London and Mumbai, generating a total of 320 tonnes of CO2.

However, there are some potential pitfalls as telepresence moves into the mainstream. It is now becoming clear that the very word telepresence has come to mean different things to different vendors. There are so many variations on standards and capabilities that the waters of this brave new communications world are in real danger of being muddied. If telepresence is to avoid degenerating into merely a slightly improved version of conventional video-conferencing, we have to lay down some guidelines for what defines genuine, company-enhancing telepresence and what does not. There are some key questions all decision makers doing proper due diligence should ask themselves if they want to end up with REAL telepresence. They include:

- Does the system recreate a natural, seamless feeling of “being there” – a full, immersive fuss-free in-meeting experience as though all participants were around a table in the same room?
- Is there a guarantee of no detectable sound delay – no matter how great the distance?
- Is there direct eye-contact with all participants regardless of where they are sitting?
- Is reliability in excess of 99% to ensure it is seen as a true substitute for travel?
- Is there a managed service to guarantee that reliability? (A service that provides a one-stop shop to address problems, set up meetings and perform maintenance?)
- Can up to five or six locations take part in the same meeting?
- Is there full interconnectivity with legacy video-conferencing systems?
- Are you aiming to develop the flexibility to link up with other telepresence systems, without degrading the quality of the experience?

- Like any new product in an evolving business space, telepresence has its fair share of both hype and misrepresentation. This makes it a fertile breeding ground for inaccuracies and misrepresentations. The Telepresence World (www.telepresenceworld.com) conferences taking place over the next year in the USA, Europe and Asia are a golden opportunity to restore perspective at a crucial time in the life of this industry.

This will help to bring a new focus on widely-held views that are holding back the full-throated development of telepresence by the business community. Although serious analytical reports on the various telepresence systems are now starting to filter through from respected experts such as Frost and Sullivan, the legacy of video-conferencing's failed promises over the years lies long and hard in the memory. For this reason, there are still a sizeable number of major company decision-makers who think that telepresence is simply a fancy, new version of something their executives have come to ignore. And in some quarters that feeds into an institutionalised fear of investing in ANY new IT product on the grounds that a better version "is bound to come along" if you wait just a year or so.

Countering and overcoming those arguments is probably the biggest single challenge for all telepresence vendors as they develop this new market. They can best achieve this by demonstrating pure, perfect telepresence, delivered in an uncompromising way, so that its transformational qualities are indisputably recognised to be light years in advance of anything that has gone before. If they do this, the battle for corporate hearts and minds is won, and a new business sector is on the road to maturity.