



NEWS RELEASE

## Cisco Evolves Channel Programs to Accelerate Transformation and Reward Partner Success

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New partner program changes involve simplification, evolving competencies and increasing the partner value exchange

DALLAS, TX -- (Marketwired) -- 11/01/17 -- **Cisco Partner Summit** -- Today, at Partner Summit 2017, Cisco (NASDAQ: CSCO) announced it is evolving its channel programs to help partners capture new opportunities, refine software and services skills sets, and differentiate themselves in the market. As part of this evolution, Cisco is making three key changes to its programs: simplification, building capabilities, and increasing the partner value exchange in order to help partners adapt to the fast moving market trends and customer needs while making it easier to work with Cisco.

"The power of Cisco's partner ecosystem is grounded in our close working relationship with our partners. To keep pace with the changing technology landscape, Cisco needs to be in lockstep with our partners if they are to operate effectively," said Marc Surplus, Vice President of Strategy, Planning and Programs, Cisco Global Partner Organization. "The evolution of our partner programs is a reflection of our continued commitment to improving the overall partner experience, strengthening our joint go-to-market initiatives, and ultimately ensuring our partners succeed in owning the digital transformation space."

Cisco's new program updates will fall in three core areas: building and recognizing capabilities, refreshing to digital, and moving to lifecycle and recurring revenue. The changes to the programs are designed to help Cisco and its partners more effectively shift business to software and recurring revenue and reward partners who drive growth and profitability.

***Build and Recognize Capabilities:*** Cisco is dramatically simplifying its Specializations portfolio, transforming what it means for partners to have a Master Specialization, and recognizing partners' industry expertise.

- ***Simplification of Specializations:*** Cisco is simplifying its Specialization program portfolio to deliver more value to Cisco's ecosystem of partners. In August 2017, Cisco began the

simplification process by reducing the 10 express-level specializations to one Express Specialization with tracks that cover all Cisco architectures. Advanced Specializations are also being reduced from 13 down to five Advanced Architecture Specializations. In an effort to streamline, Cisco is retiring all Advanced Technology Specializations (except Advanced Video) and embedding technical adoption capabilities throughout the remaining Advanced Architecture Specializations, providing a path to differentiation and ensuring the same quality and level of capabilities exist across the Advanced Specializations portfolio.

- **New Master Networking Specialization:** With Cisco unveiling its intent-based networking solutions in June, networking has never been more imperative. This new specialization will help Cisco partners enhance their networking capabilities to deliver solutions that customers will need in the new era of networking. The Cisco Master Networking Specialization will be available starting in March 2018 and will include new software and services skill development, which other Master Specializations will later look to model.
- **Recognizing Industry Expertise:** Cisco is ramping up its industry expertise recognition to allow partners to demonstrate their unique knowledge in specific areas starting with retail, healthcare and manufacturing. Finding a partner who already knows the industry challenges, requirements, and can customize solutions to meet those fundamental needs is absolutely critical and this new recognition will allow partners to differentiate themselves. Beginning November 1, 2017, Premier Certified, Gold Certified, and Master Specialized partners who meet specific criteria may begin enrolling. Upon achieving this industry recognition with Cisco, the partner will be identified as such in Cisco Partner Locator making it easier to differentiate themselves for customers and other Cisco partners.

**Incent to Refresh:** According to [IDC<sup>i</sup>](#), over the next two years, 45% of organizations worldwide are planning to rapidly adopt a more automated and "self-driving" network that better aligns with digital business. With this opportunity, Cisco is introducing new incentives and simplifying deal registration to assist partners in enabling their customers to refresh to the digital ready networks of the future.

- **Migration Incentive Program (MIP):** Cisco introduced the Migration Incentive Program (MIP), designed to offer partners a compelling offer to migrate customers with legacy or competitive products to new Cisco technologies. MIP provides partners with an incremental discount on all qualifying hardware, software, and services migration opportunities. The program includes valuable additional accelerators on specific technologies. In addition, MIP promotes market integrity by redirecting used equipment from the gray market. It also supports Cisco's commitment to social responsibility by diverting used equipment from landfills and ensuring it is recycled or otherwise responsibly disposed.
- **Deal Registration Evolution:** Cisco continues to evolve the deal registration process by three key elements: simplifying registration by consolidating 15 hunting and teaming program tracks into two, streamlining the approval process, and improving usability by allowing partners to focus on selling rather than managing deal registration. This improved usability allows partners to focus on selling rather than managing deal registration. All of this results in giving time back to partners to focus on selling and reducing their operational overhead in managing deal registrations.

**Lifecycle and Recurring Revenue:** Cisco's vision is for partners to transform their practices of the future to focus on a lifecycle selling motion of Land, Adopt, Expand, and Renew. This sales model supports Cisco's transformation as a software company and facilitates partners' recurring revenue streams and high-value services.

- **Increased investment in the Lifecycle Advisor Program:** Cisco's Lifecycle Advisor program is unique in the industry as it helps build and reward partners' lifecycle practices. In 2018, Cisco is

increasing the number of partners in its Lifecycle Advisor Program and expanding the portfolio of offers available to those Lifecycle Advisors to more areas of Cisco's business.

- **Lifecycle Management Incentives for Resellers.** Two new incentives in the Value Incentive Program (VIP) allow partners to simplify and jumpstart their software-based networking practices while enabling partners to expand their services.
  - **VIP Activation** increases the back-end rebate for Cisco ONE and Digital Network Architecture (DNA) Advantage, plus security offerings, Cisco Identity Services Engines (ISE) and Cisco Stealthwatch. This bonus encourages software to be activated as part of the Land sales motion and maximizes the number of software technologies activated in each customer.
  - Building on Cisco's legacy with VIP SaaS, which supported Collaboration and Security, Cisco is also helping to accelerate recurring revenue streams for partners with our rebranded **VIP Annuity**, expanding into Enterprise Networking and Data Center sales with performance-based recurring revenue rebates via a predictable, recurring, and simple rebate model.

### **Availability:**

- August 2017 - Simplification of Express Specializations
- September 2017 - Migration Incentive Program, VIP Activate and VIP Annuity
- November 2017 - Simplification of Advanced Specializations
- November 2017 - Enrollment for Recognizing Industry Expertise
- March 2018 - New Master Networking Specialization

### **Supporting Quotes:**

#### ***Ken Farber, President, ePlus Systems***

"We've heard from our customers about the challenges of finding the right partner who understands the nuances and unique requirements for their specific industry vertical. Gaining recognition from Cisco for our particular areas of industry expertise is important for ePlus to showcase to our customers where we have specialized knowledge, demonstrated experience, and vertical strength, which ultimately will help us be more effective in helping them drive meaningful business outcomes."

#### ***Renae Johnson, Vice President of Cisco Solutions, Logicalis***

"Logicalis is thrilled to see the simplification of the Cisco partner programs and a renewed focus on the capabilities and skill sets required to be successful in driving profitable growth. Partners who embrace these new lifecycle capabilities around adoption, solutions, and customer success measures with Cisco will succeed in the market transitions."

#### ***Kent MacDonald, Vice-President, Business Development, Long View Systems***

"Networking has never been more crucial and imperative. The addition of the Master Networking Specialization to the portfolio signals Cisco's move to the new era of networking. By having the latest solutions, solutions, software, and customer success measures along with new benefits it allows partners like Long View to differentiate themselves in the market and highlight the need for organizations to upgrade their infrastructure to become digital ready."

### **Additional Resources**

Executive Blog: [Let's Own the Opportunity Together](#) (Wendy Bahr)

Executive Blog: [Accelerating and Rewarding Partner Success with Programs](#) (Marc Surplus)

Read More: [Cisco Specializations](#)  
Learn More: [Cisco Lifecycle Advisor](#)  
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<sup>i</sup> IDC White Paper, sponsored by Cisco, *Why a Digital-Ready Network Makes Business Sense*, January 2017

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