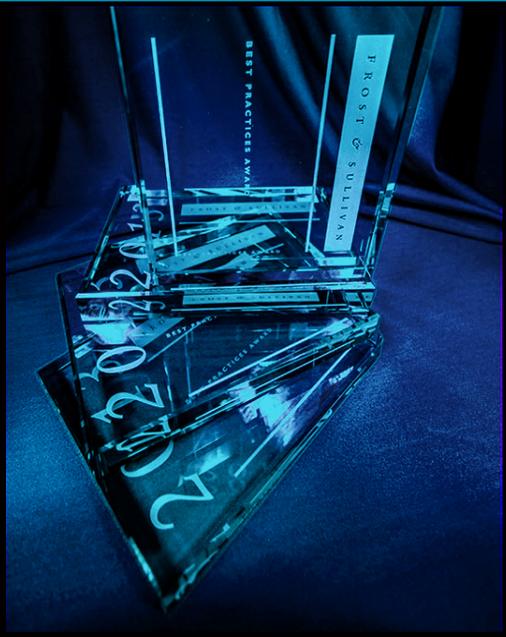


FROST & SULLIVAN

ascom

2016 Global Enterprise Wireless Phone
Company of the Year Award



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BEST
2016 PRACTICES
AWARD

GLOBAL ENTERPRISE WIRELESS PHONE
COMPANY OF THE YEAR AWARD

2016
BEST PRACTICES
AWARDS

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Background and Company Performance

Industry Challenges

In 2015, the enterprise wireless phone market, comprised of voice over wireless local access network (VoWLAN) single-mode phones and digital enhanced cordless telephony (DECT) devices, shipped 1.9 Million device units and incurred revenues of \$501.6 Million to achieve growth rates of 4.6 percent and 2.4 percent respectively. While wireless phones are forecast to grow in a healthy and stable manner in the next seven years, growth will be impacted as a consequence of various industry challenges.

The wide availability of other types of mobile endpoints, solutions and applications has considerably impacted overall demand for DECT and VoWLAN phone devices. The widespread popularity of mobile devices such as smartphones and tablets, the adoption of mobile communications applications such as fixed-mobile convergence (FMC) and mobile unified communications and collaboration (UCC) applications, the use of 3G femtocell converged services, and other mobile alternatives have affected overall customer demand for indoor/corridor mobility solutions such as VoWLAN and DECT phones.

The growth of mobile UCC solutions, in particular, is causing many enterprise communications vendors to mainly focus on software-based mobile UCC applications development as opposed to corridor mobile devices. Deployments of mobile UCC solutions continue to grow, which is compelling endpoint vendors to shift their strategic focus and increase their R&D spend on mobile applications rather than mobile devices. In some cases, the increasing attention toward mobile UCC applications has detracted vendors' overall ability to effectively promote premises-based solutions. Today, many DECT and VoWLAN phone devices offered by vendors may seem outdated having been on the market more than 10 years with little functionality advancement.

Furthermore, limitations in terms of features, integration, need to maintain separate voice and data networks, and regulatory concerns in different countries have hindered the adoption of DECT phones. The lack of proper voice-ready WLAN infrastructure, reliability and quality of service (QoS) related to the shared nature of the network are some of the limitations that have been hampering the adoption of VoWLAN phones.

Further, challenging economic environments and tight budgets have negatively affected investments in IP endpoints such as DECT and VoWLAN single-mode phones. In some regions, such as Europe, IT spent on enterprise hardware endpoints has considerably decreased since the recession of the late 2000s. Tough macro-economic conditions prompted many businesses to either adopt a wait-and-see approach or deploy cheaper solutions, slowing down global sales of enterprise communications endpoints and challenging the financial numbers of many enterprise endpoint vendors.

Although challenges abound, VoWLAN and DECT phones still have considerable growth opportunities driven by various market factors, including the reliability, security and ruggedized form factor of the devices for specific target markets; device expansion into international markets; growth of hybrid smartphone and VoWLAN phone solutions, device integration within the hosted/ cloud-based communications services, and penetration of VoWLAN and DECT phones in carpeted offices.

Enterprise wireless phone vendors that efficiently responded to evolving market trends and industry challenges with a solid and evolving portfolio of products can most effectively serve customers. Intelligent strategy execution fosters closer, long-term relationships with existing customers due to appropriate, timely and innovative strategies, employment of superior resources and greater adaptability to market change.

Visionary Innovation & Performance and Customer Impact

Frost & Sullivan is pleased to recognize Ascom Wireless Solutions for its outstanding performance in the global enterprise wireless phone market. In 2015, Ascom Wireless Solutions was the global enterprise wireless phone market leader with 22.0 percent of the total wireless phone revenue incurred. Multiple factors have contributed to Ascom's success, including: addressing unmet needs; successfully implementing best practices; leveraging strong brand equity; and providing high customer ownership and service experience.

Addressing Unmet Needs

Implementing a robust process to continuously unearth customers' unmet or under-served needs, and creating the products or solutions to address them effectively is one of the key criteria where Ascom excels. With an inherent background in wireless communications since the 1950s, Ascom has been accommodating customers' evolving onsite mobility needs with various technologies, including traditional paging systems, nurse call products, DECT devices, IP DECT phones, VoWLAN phones, and cellular solutions. As various technological trends emerge in the communications market and shape the ever-changing competitive landscape, Ascom Wireless Solutions embraces technology innovation to address the evolving requirements of businesses around the world. Examples of the technology innovations Ascom has successfully leveraged to significantly improve customers' mobility and communications needs include:

- availability of IP DECT solutions in 2007
- launch of the first line of Wi-Fi handsets to use the .11n standard in 2010
- introduction of Ascom d81, one of the most ruggedized DECT handsets in the industry in 2010
- advanced personal alarm and staff safety functionality added to the Ascom i62

Protector VoWiFi handsets, in 2011

- introduction of Ascom Unite Axxess, a healthcare-related communications app for smartphones and tablets, in 2013
- the addition of AudioCodes SIP Gateway for Microsoft Lync in Ascom's Certified Product Program for wireless phone/Lync interoperability, in 2013
- launch of Ascom Myco, a revolutionary VoWLAN and voice over 3G Android-based smartphone device, in 2015
- Now a dual-mode DECT and Wi-Fi Ascom Myco handset, planned for 2017, combining superior voice quality over DECT, with support for high data throughput and broadband applications over Wi-Fi.

Ascom's strong commitment to customer-centric technology and its focus on untapped demands are keys to its continuous leadership in the enterprise wireless phone space. Ascom Myco, in particular, has managed to tap the segment of the particularly demanding healthcare solutions sector. With a purpose-built smartphone that enables both Wi-Fi and 3G communications while complying with healthcare major safety and security industry standards. Based on an Android open-source OS, Ascom Myco supports the integration of existing hospital systems such as electronic patient health records, patient monitoring, lab and nurse call systems. With a robust design for withstanding knocks and drops, Ascom Myco connects with hospital information systems, patient monitors and nurse call systems via Ascom Unite middleware. It is developments such as Ascom Myco that demonstrate the company's ability to not only identify, prioritize, and pursue untapped customer demands, but also lead the market in terms of industry innovation.

Implementation of Best Practices

Ascom has been a global provider of on-site wireless communication solutions since its inception. Since its early days in the wireless phone industry, Ascom has harnessed many best practices that have helped it to operate a successful business and expand its user base. Early on Ascom recognized the requirement to build processes and tools that deliver consistent outcomes. A growing number of best practices are employed internally to improve business processes as well as externally to guide customers and potential individuals to optimize Ascom technology. Having sold millions of wireless phones over the years, the company has recognized the commonality in successful wireless phone implementations and has accordingly provided full documentation, best practice material, and diagnostic tools to a wide ecosystem of channel partners, individuals, and institutions. Best practice considerations for handset maintenance, battery maintenance, system maintenance, and compliance adherence abound within the company's resources. For the healthcare vertical, in particular, Ascom offers multiple forms of education, including instructor-led training, self-paced E-learning, comprehensive user guides, quick reference guides, and others. The Ascom Academy offers certification training as well as programs

such as self-paced E-learning, customized group training and clinical user training.

Ascom continuously strives to improve its processes and educate the market with best practices for each individual deployment and usage scenario.

Financial Performance

Ascom's sustained solid performance has granted it the well-deserved recognition as a key best-of-breed wireless endpoint developer. Across the years, the company has displayed strong overall business performance in terms of aggregate revenues, revenue growth, operating margins, and other key financial metrics. As of December 31, 2015, Ascom generated net revenue of CHF 410.8 million and a group profit of CHF 24.3 million.

Wireless solutions, a division which contributes to 74 percent to the group's business has been consistently shown good profitability and a healthy revenue stream. In North America, Wireless Solutions posted double-digit growth in 2015 in both incoming orders and revenues. In Europe, Wireless Solutions continues to perform according to expectations with positive achievements, in particular in Germany and Switzerland. In Asia Pacific and Latin America, the business has also been reporting positive development across the years. In general, the company's DECT and VoWLAN phone business sustained revenues above market average. Furthermore, and driven by its aim to become a leading technology vendor in the healthcare sector, in particular, Ascom grew its revenues from acute care facilities by eight percent (At constant currencies) in 2015.

Customer Ownership Experience

Ascom customers' ownership experience is among the best in the industry, with multiple organizations, including hospitals, healthcare institutions, manufacturing facilities, and retail stores reporting Ascom solutions address both their unique needs and specific constraints. Many Ascom Wireless Solutions customers have been loyal to the company for more than twenty years.

Some of the top customer requirements addressed by Ascom wireless solutions include:

- effective enablement of staff communications and collaboration
- compliance with key industry-specific regulations
- smooth integration of Ascom systems with other customer systems
- availability of a wide range of industry-specific application integration
- fast response for key emergency situations to increase safety and comfort
- easy-to-use wireless communications

- simple-to-administer systems and endpoints
- availability of key usage statistics and feedback

Additionally, many businesses appreciate the level of customization Ascom offers when implementing its solutions. In the healthcare realm, specifically, the company's ability to integrate communications within the workflow of existing systems (e.g. HIS, LIS, RIS and nurse call systems) with products addressing staff communications, alarming, messaging, patient monitoring, and personal safety has been one of the company's key competitive advantages. Today, a growing number of Ascom customers are tier-1 hospitals. Ascom's number-one priority has been to optimize customer workflow, whether it is a hospital, a manufacturing floor or a retail store.

Customer Service Experience

Ascom Wireless Solutions provides customers with multiple tools for potential inquiries and problem solving. Ascom Technical Service offers resellers and customers a wide range of services, including technical support, technical training, system analysis, field engineering, product repair, and contract services. Technical support is offered via telephone, e-mail, via ascom.com, remote login, as well as in-person in the field. Online documentation such as user manuals, bulletins, and in-depth information on Ascom products is also available when needed.

Additionally, the company offers a variety of professional services created to help companies analyze, implement and run Ascom solutions without potential challenges. Professional services can be tailored to meet customer specific needs and include project management, installation services, training, customized software/feature development, and consulting services. Finally, Ascom conducts customer satisfaction surveys which ensure the company stays on top of key issues raised by customers. Customers appreciate Ascom's proactive approach, which helps address their needs and challenges more effectively and in a timely manner.

Brand Equity

Ascom enjoys solid brand name recognition and considerable mindshare among organizations with essential on-site mobility needs. With a strong customer list, including healthcare institutions, hospitality organizations, manufacturing plants, retail stores, financial/stock exchanges, corrections/prisons, and energy/nuclear power plants, Ascom Wireless Solutions uses its reputation to advantage and grow its market share. With more than 100,000 installed systems, Ascom has always focused its efforts on marketing and promoting its brand as the vendor of the most widely-used enterprise on-site wireless endpoints in the market. Today, Ascom leverages the sales support of top OEM channels and major suppliers. Ascom Wireless Solutions also made significant efforts to secure tight integration with multiple third-party solutions and provide extensive configuration and customization options.

In recent years the company has focused its internal resources to become a leading healthcare ICT provider. In addition to gearing its products and solutions towards the healthcare target segment, Ascom's marketing strategy has been fundamental to gain the trust and confidence of an ever growing portion of hospitals and healthcare organizations interested in on-site mobility. The company efficiently its healthcare vision, direction, and overall strategy through its corporate web site and via trade shows, case studies, and collateral marketing material. Today, 60 percent of the company's wireless solutions net revenue comes from the healthcare vertical. While Ascom aims to become the leader in healthcare ICT by the year 2020, the company will continue to cater to other industries with its wireless solutions.

Conclusion

Ascom continues to hold an undisputed leadership position in the wireless phone market. The company's strong pursuit to address under-served customer needs, solid implementation of best practices, differentiated and innovative portfolio that target key evolving trends, tight customer focus, and strong brand recognition in the wireless phone market are among the factors that have helped Ascom to excel in this industry and stand out from the competition.

With its strong overall performance, Ascom has earned Frost & Sullivan's 2016 Company of the Year Award.

Significance of Company of the Year

To win the Company of the Year award (i.e., to be recognized as a leader not only in your industry, but among your non-industry peers as well) requires a company to demonstrate excellence in growth, innovation, and leadership. This kind of excellence typically translates into superior performance in three key areas: demand generation, brand development, and competitive positioning. These areas serve as the foundation of a company's future success and prepare it to deliver on the two criteria that define the Company of the Year Award (Visionary Innovation & Performance and Customer Impact).



Understanding Company of the Year

As discussed above, driving demand, brand strength, and competitive differentiation all play a critical role in delivering unique value to customers. This three-fold focus, however, must ideally be complemented by an equally rigorous focus on visionary innovation to enhance customer value and impact.

Key Benchmarking Criteria

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated two key factors—Visionary Innovation & Performance and Customer Impact—according to the criteria identified below.

Visionary Innovation & Performance

- Criterion 1: Addressing Unmet Needs
- Criterion 2: Visionary Scenarios through Mega Trends
- Criterion 3: Implementation Best Practices
- Criterion 4: Blue Ocean Strategy
- Criterion 5: Financial Performance

Customer Impact

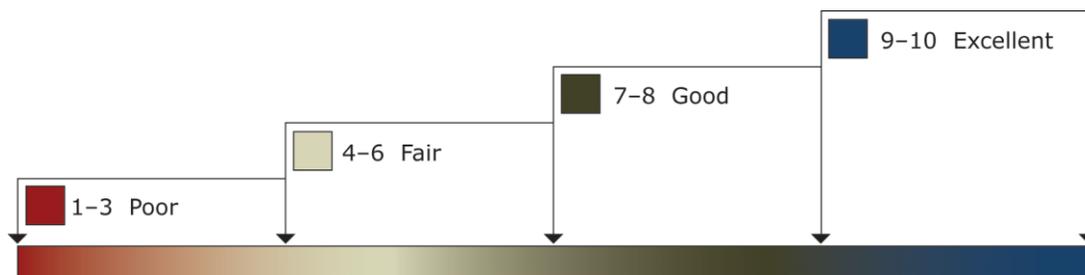
- Criterion 1: Price/Performance Value
- Criterion 2: Customer Purchase Experience
- Criterion 3: Customer Ownership Experience
- Criterion 4: Customer Service Experience
- Criterion 5: Brand Equity

Best Practice Award Analysis for Ascom Wireless Solutions

Decision Support Scorecard

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard. This tool allows our research and consulting teams to objectively analyze performance, according to the key benchmarking criteria listed in the previous section, and to assign ratings on that basis. The tool follows a 10-point scale that allows for nuances in performance evaluation; ratings guidelines are illustrated below.

RATINGS GUIDELINES



The Decision Support Scorecard is organized by Visionary Innovation & Performance and Customer Impact (i.e., the overarching categories for all 10 benchmarking criteria; the definitions for each criteria are provided beneath the scorecard). The research team confirms the veracity of this weighted scorecard through sensitivity analysis, which confirms that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

The results of this analysis are shown below. To remain unbiased and to protect the interests of all organizations reviewed, we have chosen to refer to the other key players as Competitor 2 and Competitor 3.

DECISION SUPPORT SCORECARD FOR COMPANY OF THE YEAR AWARD

<i>Measurement of 1-10 (1 = poor; 10 = excellent)</i>			
Company of the Year	Visionary Innovation & Performance	Customer Impact	Average Rating
Ascom Wireless Solutions	9.0	9.0	9.0
Competitor 2	7.0	8.0	7.5
Competitor 3	7.0	8.0	7.5

Visionary Innovation & Performance

Criterion 1: Addressing Unmet Needs

Requirement: Implementing a robust process to continuously unearth customers' unmet or under-served needs, and creating the products or solutions to address them effectively

Criterion 2: Visionary Scenarios Through Mega Trends

Requirement: Incorporating long-range, macro-level scenarios into the innovation strategy, thereby enabling "first to market" growth opportunities solutions

Criterion 4: Implementation of Best Practices

Requirement: Best-in-class strategy implementation characterized by processes, tools, or activities that generate a consistent and repeatable level of success.

Criterion 3: Blue Ocean Strategy

Requirement: Strategic focus in creating a leadership position in a potentially "uncontested" market space, manifested by stiff barriers to entry for competitors

Criterion 5: Financial Performance

Requirement: Strong overall business performance in terms of revenues, revenue growth, operating margin and other key financial metrics

Customer Impact

Criterion 1: Price/Performance Value

Requirement: Products or services offer the best value for the price, compared to similar offerings in the market

Criterion 2: Customer Purchase Experience

Requirement: Customers feel like they are buying the most optimal solution that addresses both their unique needs and their unique constraints

Criterion 3: Customer Ownership Experience

Requirement: Customers are proud to own the company's product or service, and have a positive experience throughout the life of the product or service

Criterion 4: Customer Service Experience

Requirement: Customer service is accessible, fast, stress-free, and of high quality

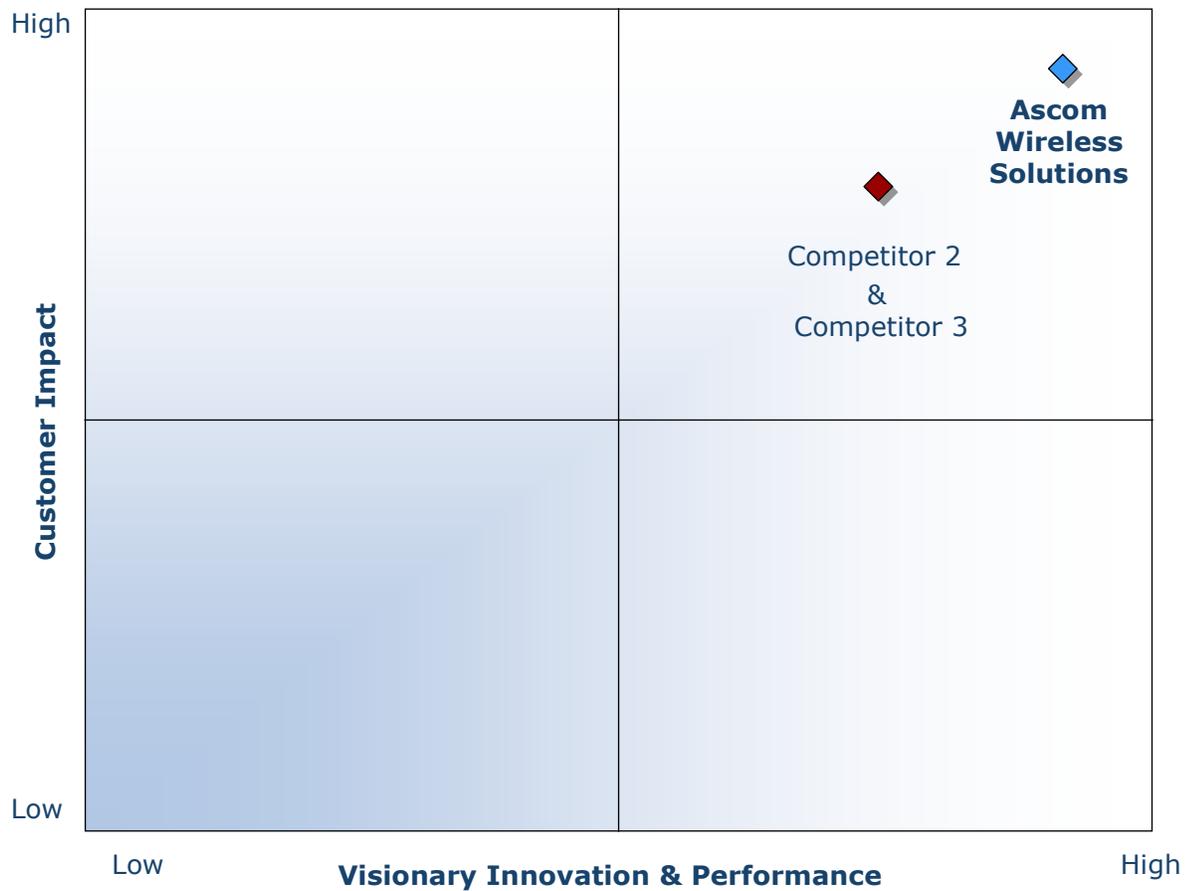
Criterion 5: Brand Equity

Requirement: Customers have a positive view of the brand and exhibit high brand loyalty

Decision Support Matrix

Once all companies have been evaluated according to the Decision Support Scorecard, analysts can then position the candidates on the matrix shown below, enabling them to visualize which companies are truly breakthrough and which ones are not yet operating at best-in-class levels.

DECISION SUPPORT MATRIX FOR COMPANY OF THE YEAR AWARD



The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan’s 360-degree research methodology represents the analytical rigor of our research process. It offers a 360-degree-view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often, companies make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry players and for identifying those performing at best-in-class levels.



Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan Awards follow a 10-step process to evaluate award candidates and assess their fit with select best practice criteria. The reputation and integrity of the Awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify award recipient candidates from around the globe	<ul style="list-style-type: none"> • Conduct in-depth industry research • Identify emerging sectors • Scan multiple geographies 	Pipeline of candidates who potentially meet all best-practice criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	<ul style="list-style-type: none"> • Interview thought leaders and industry practitioners • Assess candidates' fit with best-practice criteria • Rank all candidates 	Matrix positioning all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	<ul style="list-style-type: none"> • Confirm best-practice criteria • Examine eligibility of all candidates • Identify any information gaps 	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	<ul style="list-style-type: none"> • Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles 	Final prioritization of all eligible candidates and companion best-practice positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	<ul style="list-style-type: none"> • Share findings • Strengthen cases for candidate eligibility • Prioritize candidates 	Refined list of prioritized award candidates
6 Conduct global industry review	Build consensus on award candidates' eligibility	<ul style="list-style-type: none"> • Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates 	Final list of eligible award candidates, representing success stories worldwide
7 Perform quality check	Develop official award consideration materials	<ul style="list-style-type: none"> • Perform final performance benchmarking activities • Write nominations • Perform quality review 	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best-practice award recipient	<ul style="list-style-type: none"> • Review analysis with panel • Build consensus • Select winner 	Decision on which company performs best against all best-practice criteria
9 Communicate recognition	Inform award recipient of award recognition	<ul style="list-style-type: none"> • Present award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance 	Announcement of award and plan for how recipient can use the award to enhance the brand
10 Take strategic action	Upon licensing, company may share award news with stakeholders and customers	<ul style="list-style-type: none"> • Coordinate media outreach • Design a marketing plan • Assess award's role in future strategic planning 	Widespread awareness of recipient's award status among investors, media personnel, and employees

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best in class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages almost 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from 31 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.