

Aragon Research

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Topic: Collaboration

Issue: Who are the collaboration providers and how will they evolve?

Cisco Acquires Collaborate.com For Stake In Mobile Collaboration

Summary: *Cisco has acquired Collaborate.com to gain a foothold in mobile content collaboration. It will have to rationalize some feature overlaps between the new product and WebEx.*

Event: On December 17, 2013, Cisco announced its acquisition of Collaborate.com (formerly known as Kibits Labs), a company that develops mobile tools for document sharing, task management and team communication. Financial terms of the deal were not disclosed.

Analysis

The acquisition of Collaborate.com continues a trend of technology purchases to fill in gaps in Cisco's collaboration product line. In 2007, Cisco acquired WebEx, followed in 2008 by Jabber and PostPath, an email and calendaring provider. Cisco subsequently exited the email market in 2011 and transferred resources to other parts of its collaboration business.

In 2011, Cisco also acquired Versely, which provided a plug-in to Microsoft Office so users could collaborate around content in documents, spreadsheets, presentations and email. Cisco enabled integration into WebEx Social (formerly Quad), which notified users about changes in documents they were collaboratively working on.

Cisco has a long history of collaboration technology acquisitions, but we believe many of them were for talent. This is a popular trend and strategy, but it can result in product overlaps and integration issues.

Cisco's Collaboration Business

Cisco needs a boost in the collaboration market; its recent growth rate has been flat. Collaborate gives Cisco mobile collaboration capabilities to coincide with its WebEx cloud collaboration services. Cisco gets mobile collaboration technology and expertise as well, since the Collaborate engineers will also come on board.

The Collaborate mobile app allows users to meet virtually in teams and create chat rooms to share documents, videos and other media files, providing mobile project collaboration. There is some overlap with WebEx capabilities, so Cisco will have to focus closely on integrating them.

The Mobile Messaging and Collaboration Era

Mobile messaging and collaboration apps are proliferating, and their growth affects traditional communication vendors. Consumer mobile messaging apps such as WhatsApp, and enterprise-focused apps like those from Biba, challenge incumbent unified communication and collaboration services. Just as consumer IM tools drove the development and adoption of enterprise-grade IM platforms, mobile messaging and collaboration apps will follow the same path.

BYOD and the Mobile Workforce

With the emergence of BYOD, enterprise users are incorporating mobile messaging and collaboration services into their work. These apps enable quicker and more efficient interactions with internal and external constituencies for work.

We believe Cisco is leveraging the impact of cloud and mobility on the workforce. Cloud and mobility combine to enhance Cisco's core collaboration competency, leading the company to bet on becoming a leader in cloud and mobile collaboration services.

Mobility has changed the workforce to the point that a person's office is wherever they are, because of their mobile device. Having the same collaboration capabilities on your device and your desktop becomes crucial to enabling collaboration anywhere and on any device.

Integration Challenges And Opportunities

Cisco is no stranger to acquisitions, and this will not be its last. However, Cisco does have a recurring challenge on its hands with regard to integrating the technologies from its acquisitions. Integration work is not easy. There is some overlap between the Collaborate technology and WebEx and other acquired assets such as Versely, so Cisco will have to do serious work to seamlessly integrate them.

Cisco's collaboration technology business unit will run the Collaborate product line. While Cisco has a great opportunity to become a leader in mobile and overall collaboration, clearly explaining the new capabilities to customers and prospects will be a daunting branding exercise.

Aragon Advisory

- Collaborate.com customers should request guidance on Cisco's roadmap for the technology and their existing investments.
- Prospective customers should ask for detailed guidance on integration with existing enterprises services such as email.

Bottom Line

The workforce has become even more distributed because of the impact of cloud and mobility. IT leaders need to support mobile workers who are quite proficient at using apps to get their jobs done.

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- [Cisco Collaboration Summit in Four Words: H.265, Customers, WebEx, Files](#)
- [Cisco focuses on Collaboration](#)