

Survey Shows Complex Data Integration Projects Challenge Communications Providers

Over 80 percent of respondents recognize need for common information model

Bedford, MA – September 29, 2008 – <u>Progress Software Corporation</u> (NASDAQ: PRGS), a leading provider of application infrastructure software to develop, deploy, integrate and manage business applications, revealed survey results that identify the urgent need for the use of <u>common information models</u> to simplify complexity in communications providers' integration projects.

These results are derived from a survey administered at TM Forum's Management World Dallas 2007 and Management World Nice 2008. Through the survey, a total of 673 respondents weighed in on key business and integration challenges and highlighted the fact that the use of common information models is spreading across the enterprise. Moreover, respondents acknowledged that adopting a common information model is mandatory to reduce the cycle time to implement key initiatives and deliver new products to market while also reducing risk and maintenance costs, a combination that ultimately positions the business to enhance customer service and satisfaction.

Identifying their biggest obstacles pertaining to <u>data integration</u>, nearly 75 percent of the respondents pointed to maintenance and management of change in their complex systems. Specifically, the survey showed that:

- 41 percent of respondents believe that a key integration challenge is the "increase in complexity which has led to an increase in maintenance costs."
- 1 31 percent are having "difficulty with managing change."
- Only 5 percent are concerned with "unforeseen failures in other systems."

John Wilmes, Chief Technical Architect for the Communications Sector, Progress Software, commented: "Change is the hallmark of a new operating environment for telecommunications providers and it continues to accelerate. Communications providers that ignore the challenge will find themselves at a severe competitive disadvantage."

Many communications providers recognize the necessity of change, acknowledging that an investment in technology is essential to overcome the obstacles hindering change. Moreover, without an agile infrastructure, respondents reported challenges that undermined their bottom line, including problems with launching services that generate revenue and with improving customer service. Specifically, the survey showed:

- 27 percent of respondents are "challenged with quickly rolling out new revenue generating services" while 25 percent believe that "improving customer service" was the greatest challenge.
- Only 4 percent see "adding new distribution channels" as a key business challenge.

As a result, these businesses look to IT solutions to allow changes that will address these issues. This investment ultimately grows the bottom line of the company. For example, with a <u>common data model</u>, an infrastructure can be built that supports rapid implementation of new business initiatives, while maintaining the business functions to retain good customers.

Communications providers that have implemented this type of IT transformation project with best practices will improve delivery time and reduce risk and maintenance costs. For example, providers reported success using a common model to support their data interoperability initiatives. When asked about plans to use the TM Forum Information Framework (SID), or another common information model, in integration projects, nearly half the respondents revealed that they were either planning to, or already using this standard for their projects today. Specifically, the survey found that:

- 1 37 percent are currently in development.
- 25 percent plan to develop within the next 12 months.
- 25 percent are investigating the use of common models.
- 9 percent have no current plans to use common models.

"The survey results reveal critical data points concerning today's communications providers. For example, they are experiencing extremely complex integration issues that can no longer be successfully solved through manual efforts. As the data illustrates, slowly but surely, these providers are adopting common information models, such as the TM Forum

Information Framework, to aid in integration projects," continued Wilmes. "These results also show the increasing need for providers to mange product innovation initiatives and improve the customer experience while reducing the cost of growth."

About Progress Software Corporation

Progress Software Corporation (NASDAQ: PRGS) provides application infrastructure software for the development, deployment, integration and management of business applications. Our goal is to maximize the benefits of information technology while minimizing its complexity and total cost of ownership. Progress can be reached at www.progress.com or +1-781-280-4000.

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