SIP Forum general meeting

Review of previous, and upcoming fiscal years
Meeting agenda

- **Official business**
  - Meeting operation setup
  - Nominations for chair, minutes takers
  - Operational and financial review
  - Voting
    - Confirmation of authorized voting members, quorum requirements & decision requirements
    - Reading of items for voting
      - Board member candidates
      - Administrative items
    - Balloting, counting, and results

- **Unofficial business**
  - IPR policy

- **Adjourn**
Meeting operation setup

- Meeting chairman
  - Nominations
  - Voting

- Minutes takers (2)
  - Nominations
  - Voting

- Administrivia
  - Has meeting been properly notified?
Operational review - 2005-6

- Met most goals set for the year
  - With some adjustments to accommodate changes in people, requirements

- Expenses substantially below income
  - Changes in marketing working group strategy

- Continuing litany of “organizational infrastructure” improvements
  - Accounting / financial, electronic (web), legal structure

- Still plenty more we could / should do
Technical WG

- SIPconnect
Marketing Working Group
2006 Review, 2007 Plan
MWG 2006 Review

- Awareness activities: conferences
  - Concentration on co-sponsorships
  - Don’t go to shows; leverage them
    - This reduced spending dramatically this year
  - “Get stuff” in exchange for co-sponsorships
    - Speaker slots for Forum Full members
    - Bag insert opportunities (primers, white papers),
    - Web banner-ad swaps
  - Roughly 15 conferences co-sponsored globally

- Awareness activities: SIPconnect
  - Product-like market launch
    - 6-7 press meetings
    - 2 analyst briefings
    - 1 60-second video blog clip
    - Website content support, press kits, CD ROM, White Paper
2006 MWG Review

- **Awareness activities: electronic**
  - Website overhaul (again)
    - Now on third site
    - R2 got hacked because we were “stuck” in a code trap
    - Ongoing development of new capabilities
      - E.g. Full Member voting system, Participant Member “harvesting” (cleanup) system, ...
  - Lots of new website content
  - Wiki taken down
    - No activity, except from Wiki spammers

- **Other**
  - SIP and IMS Webinar
  - New corporate identity
    - Took opportunity to refresh while building new website design
2007 MWG Plan

- **Create Content**
  - Website update (continue)
  - SIP-related webinars (increase)
  - Member white papers (increase)
  - Sponsor 1-2 white papers (new)

- **Build Awareness**
  - Continue conference support
    - Conference sponsorship (increase)
    - Booth (decrease)
    - Member white papers (increase)
    - SIP support material (increase)
    - Forum member speaker positioning (increase)
    - TWG speaker positioning, for example, SIPConnect (new)
  - Further TWG market launches (maintain)
  - Reinstate newsletter (new)
Service Provider Working Group
2007 Plan
Service provider WG
Proposal for new mission

- Develop business processes for service providers using SIP
- Best operational practices
- Provide technical requirements for delivering SIP services to enterprise and residential customers
- Communicate with SIP Forum members on
  - Information
  - Action. E.g. support of business models
About Service Provider Advisory

- Starts as an Advisory group
  - Open to Service Providers
  - Membership (SIPF full members only?)
  - Includes wireline, wireless and cable
  - Includes incumbent, competitive, ISPs/ASPs

- Leverages on SIP Connect technical and business work
Benefits

- For the SIP community
  - Accelerate the deployment of SIP
  - Foster SIP innovations
  - Better operational and service interoperability models
  - Open dialogue for developing faster, better products

- For Service Providers Advisory (SPA)
  - Faster time to market and revenue
  - Special events (to be defined)
  - Others?
Test Event working group

- XXX
Operational discussion

- **Accounting / financial management changes**
  - Introduced last year
    - Actual vs. plan reporting, cash flow reports, A/R reports, etc
  - Departmental (WG) cost tracking introduced
  - Financial statements now denominated in Euro
  - Nominal benefit
    - Little spending this year; statements CONSTANTLY late (from accountants) and not available in Board meetings....

- **Still pretty bad at renewal invoice processing**
  - Invoices go “unattended” at Member company when sent via surface mail
    - Now being sent by email; but must work through bounces, etc.
  - Troubles usually related to changes in personnel at Member company

- **95% of financial transactions now conducted via U.S. corp**
  - Most suppliers, members are U.S.
Consolidation proposal

- Ballot question 3
- “Merge” Swedish Assn. into existing U.S. entity
  - Cost reduction
    - Accounting cost lower here; avoids 2-country filings
    - Avoid losses from Kroner / Euro currency changes (substantial)
  - Convenience
    - Swedish bank not easily accessible for operations; U.S. bank much more efficient (e.g. wire postings); U.S. accountant more readily available
  - Simple sanity....
- One-time costs
  - Legal, accounting. Estimated at < $10,000 USD
    - Informal ROI guess: < 15 months
- Board recommends YES

Major point: Cutting marketing left us with a big surplus

<table>
<thead>
<tr>
<th>Expenses by working group</th>
<th>Actual</th>
<th>Plan</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech</td>
<td>-</td>
<td>21,000</td>
<td>21,000</td>
</tr>
<tr>
<td>Test</td>
<td>111,110</td>
<td>159,710</td>
<td>48,600</td>
</tr>
<tr>
<td>SP</td>
<td>-</td>
<td>13,618</td>
<td>13,618</td>
</tr>
<tr>
<td>MWG</td>
<td>61,830</td>
<td>140,446</td>
<td>78,616</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>73,601</td>
<td>82,256</td>
<td>8,655</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating income</th>
<th>30-Jun-2006</th>
<th>30-Jun-2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership fees</td>
<td>297,500</td>
<td>230,518</td>
</tr>
<tr>
<td>SIPit registration fees</td>
<td>114,303</td>
<td>38,115</td>
</tr>
<tr>
<td>Total</td>
<td>411,803</td>
<td>268,633</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating expenses</th>
<th>30-Jun-2006</th>
<th>30-Jun-2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>External costs</td>
<td>(277,717)</td>
<td>258,512</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(1,312)</td>
<td>1,312</td>
</tr>
<tr>
<td>Total</td>
<td>(279,029)</td>
<td>259,824</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating profit/loss</th>
<th>30-Jun-2006</th>
<th>30-Jun-2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other income/loss</td>
<td>(4,225)</td>
<td>8,840</td>
</tr>
<tr>
<td>Net</td>
<td>128,529</td>
<td>17,649</td>
</tr>
</tbody>
</table>

Cash on hand 307,344 180,915

- **Major points**
  - Assume 11 lost members return within 90 days
    - (No new growth assumed; conservative by design)
  - No longer run SIPit through “revenue”
    - Accountants say it is a Balance Sheet only item; “held in escrow for Host”

- **The plan:**
  - **Revenue:** €190K
  - **Opex:** €185K
  - **Net:** €4K (rounded)

- **WG opex:**
  - **MWG:** €140K
  - **Tech WG:** €5K
  - **SP WG:** €4K
  - **Test event WG:** €31K
  - **G&A:** €55K

- **If entities are merged, plan will be restated in USD**
Have thoughts for the board on…

- Reduce Full Member fees?
  - Stratify fees by Member size?

- Spend (some) surplus? On?
  - Open source demonstration implementations?
  - Marketing?
  - Technology infrastructure (working servers)?
Voting preliminaries

- **Current member count:** 25
  - Big drop
  - Jay played hardball with dues
  - Tactical decision…

- **Quorum requirement:**
  - 26 for normal business (Can be satisfied by presence or proxy)

- **Voting passage requirement:**
  - For non-By Laws yes/no items:
    - The greater of:
      - 1/2 those voting
      - 18 (1/3 of the Full Member count)
  - For By Laws change: same as above, but 3/4 threshold

- **Attendance count:** <insert>
- **Proxy count:** <insert>
New voting rules

- Last year revealed voting flaws
  - No candidate had a “majority”
- Ballot question 2 addresses this, and other issues
  - Adopts Single Transferrable Vote method of tallying votes
- Board recommends YES
Single Transferable Vote
## Director candidates - 13 for 5 seats

- Chris Gatch - Cbeyond
- Fergal Glynn - BlueNote Networks
- Timothy Jasionowski - Nokia
- Steve Johnson - Ingate Systems
- Edward Keegan - ETphones.com
- Ranjith Mukundan - Wipro Technologies
- David Oran - Cisco
  - (current Board member standing for re-election)
- Chandra Pillai - Servion
- Pat Rudolph - 3Com
- Michael Seto - Polycom
- Richard Shockey - Neustar
- Anwar Siddiqui - Avaya
  - (current Board member standing for re-election)
- Robert Sparks - Estacado
  - (current Board member standing for re-election)
Voting

- **Question 1: Board**
  - Only 1 can NOT be from a Full Member
- **Question 2: STV adoption in By Laws**
- **Question 3: Organizational consolidation**
- **Question 4: Discharge of director liability**

- Time to vote!
Vote results
1 remaining item: IPR policy

- Please review, or have corporate counsel review:
  SIP Forum IPR Policy Recommendation
- (See www.sipforum.org > Documents)
- And provide comment feedback in next …?
  - 60 days?

This needs finalized; but Members have to be happy with it.
Adjournment

- Any remaining questions?

- Thank you for attending