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Ciena Transforms Managed Service Provider Offerings with Virtual Services Software Platform

New Ciena Agility division delivers turnkey solutions that enable service providers to offer virtualized network functions as on-demand, consumption-based business services

HANOVER, Md. – December 3, 2014 – In response to significant changes in the way network resources and services are consumed, [Ciena](#)[®] (NYSE:CIEN) is introducing a software solution that establishes an entirely new business model for Managed Services Providers (MSPs). Ciena’s innovative approach enables providers to adopt a more agile and profitable strategy for adding and expanding network services and appliance functionality with a simple web interface and a consumption-based billing model. Linking the managed services model with the key trend of virtualization, Ciena’s new virtual services software platform, Agility Matrix, modernizes the acquisition, distribution, consumption and payment of virtualized network functions (VNF) and allows enterprises to drastically improve performance of all enterprise and cloud-based applications and better manage distributed networks.

Included in Ciena’s new Agility Matrix software are VNF Market, an open, online marketplace for a variety of third-party VNFs, and Director, a management and orchestration engine. Using a virtual network interface similar to an online shopping experience, where users can drag and drop items into their carts, new network services such as encryption, firewalls, and VPNs can be delivered as managed services in a matter of minutes versus days or weeks. Ciena is building out its VNF Market, currently working with several leading virtual appliance vendors, including [BlackRidge Technology](#), [Brocade](#), [Certes Networks](#), [Silver Peak](#) and [Spirent Communications](#).

Ciena also announced today that it established a new business division, Ciena Agility, to power service velocity, innovation and business value across the wide area network (WAN). This division includes dedicated resources for software development, product line management, product marketing, service and support, sales and business development, and has full accountability for delivering network control and application software technologies to help providers deliver a true on-demand user experience. Ciena Agility is led by Kevin Sheehan as vice president and general manager, and encompasses the SDN

Multilayer WAN Controller and its applications, V-WAN, the Agility Matrix solution announced today, including VNF Market and Director, as well as all future SDN and NFV development.

Key Facts:

- Ciena's Agility Matrix gives providers the ability to offer on-demand cloud experiences for carrier managed services with a turnkey solution to purchase and deploy VNFs.
- VNF Market is a Ciena-operated cloud-based VNF distribution solution that allows providers to select and download validated VNFs in support of virtualized, on-demand enterprise services. Its innovative pay-as-you-earn, consumption-based model empowers service providers to deliver new services.
- Ciena Agility's Director automates the operations, management and orchestration of the VNFs, improving service velocity.
- Ciena's Agility Matrix includes service offerings to de-risk and accelerate the adoption of VNF-based carrier managed services, including audit capabilities, integration services, migration services, managed and support services, and reporting services.
- Ciena expects the Agility Matrix solution to be generally available in the second calendar quarter of 2015.

Executive Comments:

- "We are transforming raw capacity into *capability* that delivers on-demand network-based services in a manner that mimics the ease and instantaneous nature of an online shopping experience. The new Ciena Agility division is organized to quickly respond to the market demand for these customer-driven software solutions."
– Kevin Sheehan, vice president and general manager, Ciena Agility

Live Web Event:

- On Wednesday, December 3 at 9:05 a.m. ET, Ciena will broadcast a live web event to discuss its new software and Agility division. The webcast will feature Francois Locoh-Donou, senior vice president, Global Products Group; Kevin Sheehan, vice president and general manager, Ciena Agility; Mike Miracle, senior vice president of marketing & strategy at BlackRidge Technology; Ashwin Krishnan, head of products, software networking business unit at Brocade; Adam Boone, CMO of Certes Networks; and, Marc Trimuschat, vice president of alliances at Silver Peak.
- Register [here](#) to the event or visit the [newsroom section](#) of Ciena's website listen to a replay.

Supporting Resources:

- Overview: [Ciena Agility](#)
- Solution Brochure: [Agility Matrix Solution](#)
- White Paper: [Leveraging Consumption-Based On-Demand Services](#)
- Video: [Value-Added Services, On Demand](#)
- Blog: [Ciena launches holistic NFV solution](#)

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About Ciena

Ciena (NYSE: CIEN) is the network specialist. We collaborate with customers worldwide to unlock the strategic potential of their networks and fundamentally change the way they perform and compete. Ciena leverages its deep expertise in packet and optical networking and distributed software automation to deliver solutions in alignment with its OPⁿ architecture for next-generation networks. We enable a high-scale, programmable infrastructure that can be controlled and adapted by network-level applications, and provide open interfaces to coordinate computing, storage and network resources in a unified, virtualized environment. For updates on Ciena news, follow us on Twitter @Ciena or on LinkedIn <http://www.linkedin.com/company/ciena>. Investors are encouraged to review the Investors section of our website at www.ciena.com/investors, where we routinely post press releases, SEC filings, recent news, financial results, and other announcements. From time to time we exclusively post material information to this website along with other disclosure channels that we use.

Note to Ciena Investors

Forward-looking statements. This press release contains certain forward-looking statements based on current expectations, forecasts and assumptions that involve risks and uncertainties. These statements are based on information available to the Company as of the date hereof; and Ciena's actual results could differ materially from those stated or implied, due to risks and uncertainties associated with its business, which include the risk factors disclosed in its Report on Form 10-Q, which Ciena filed with the Securities and Exchange Commission on September 9, 2014. Forward-looking statements include statements regarding Ciena's expectations, beliefs, intentions or strategies regarding the future and can be identified by forward-looking words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "should," "will," and "would" or similar words. Ciena assumes no obligation to update the information included in this press release, whether as a result of new information, future events or otherwise.

Partner and Analyst Quotes

“Carriers are being challenged with lower profit margins and operational complexity in their managed services business, which is forcing them to either sell off the business, shut it down or rearchitect the network in order to be more agile and simplified. Fortunately, their needs for simplification and agility are being met with technologies such as virtual CPE. The value of virtualized managed residential and/or business services is not only good for carriers but of tremendous value to the end user because of the enhanced customer experience. Every carrier that is offering managed service today will have to implement some type of virtualized managed technology to increase profit margin and remain competitive.”

- *Ray Mota, Ph.D., Managing Partner and Founder, [ACG Research](#)*

“NFV promises attractive benefits for providers and operators, but with considerable adoption risk. An approach like Ciena’s Agility Matrix could lower that risk while providing a direct path to revenue for both operators and Ciena’s VNF Market partners. Progress in NFV has been rapid and it’s operational implementations that will deliver greater value.”

- *Eric Hanselman, Chief Analyst, [451 Research](#)*

“The Ciena VNF Market will provide a fast and flexible deployment option for our identity-based network security gateway. BlackRidge Technology applies identity to networks at the earliest possible time, on the first packet, cloaking resources by preventing unauthorized awareness, and separating security policy from network topology. BlackRidge Technology is excited to participate in the Ciena VNF Market with our patented identity-based network security solution.”

- *John Hayes, Founder and CTO, [BlackRidge Technology](#)*

“To effectively manage the network evolution to the cloud and mobile era, increasingly referred to as the New IP, customers are seeking open and collaborative vendor ecosystems to ensure interoperability. The continued collaboration between Ciena and Brocade will provide a solid platform for the Brocade Vyatta vRouter and its high-performance advanced routing, firewall, and VPN capabilities.”

- *Kelly Herrell, VP and GM Software Business Unit, [Brocade](#)*

“We’re excited to participate in Ciena’s VNF Market because it will help us fill a critical security function that will accelerate enterprise adoption of services. Security of data traffic has never been more critical than today, as enterprises battle the ongoing hacking crisis compromising sensitive data around the globe. Our vCEP virtualized data encryptor operating on the Director will enable enterprise end customers to configure their own data traffic encryption, control their own encryption keys, and enjoy peace of mind that their data traffic is secure.”

- *Adam Boone, Chief Marketing Officer, [Certes Network](#)*

“Silver Peak has been in the forefront of software-defined network services, providing WAN, SaaS, and cloud optimization in a virtualized footprint to our enterprise customers with the same robust features and scalability as physical solutions. These solutions provide visibility and consistent application performance across the WAN regardless of location – whether in the branch, the data center or the cloud. Our collaboration with Ciena will enable service providers to offer our industry-leading solutions to their customers in an easy-to-deploy, on-demand fashion.”

- *Marc Trimuschat, VP of Alliances, [Silver Peak](#)*

“Agility in next generation service delivery using NFV drives new requirements into testing and verification solutions for carriers. The same underpinning virtualization technology that is embodied in Ciena’s Agility Matrix solution can be used to deliver real-time test and troubleshoot capabilities right into the service, without the need for on-site technicians and truck rolls. Spirent is the industry leader in virtualized test solutions, and we are excited to be partnering with Ciena to deliver on the vision of real-time carrier based on-demand test and performance expectation capabilities.”

- *Neil Holmquist, Senior Director of Product Marketing and Management for Cloud and IP Solutions, [Spirent Communications](#)*