



## Thomas Howe Takes CEO Role at Jaduka

By Rich Tehrani's

TMC President, Group Editor-in-Chief

At TMC's ITEXPO earlier this month I had a chance to briefly chat with voice 2.0/mashup guru Thomas Howe. At the show he told me there was big news coming and he was soon going to become CEO of a major service provider in Texas. Of course I wanted to know more and Thomas didn't disappoint. Here is a detailed interview - his first since taking the CEO spot at Jaduka. There is also an audio file which is different than what you will read below - so if you want to know more or like to listen to interviews while you walk the dog, etc - check it out.

### 1. Why are you making the move to Jaduka and what is next for The Thomas Howe Company?

The time is right for companies like Jaduka. Jaduka has years of experience with the Web as a development platform. Jaduka also has the most mature API and platform in the industry. Companies use the API a million times daily, and there are 350 methods. Developed over a decade, the platform is rock solid and we're uniquely positioned in terms of maturity and capacity to really scale our API efforts. So I am leaving my consulting business aside and I've joined as CEO of Jaduka and that's my full-time job.

### 2. Can you describe the Business Process Optimization (BPO) and Telco 2.0 marketplaces and opportunities for Jaduka?

Business process optimization is best understood as being a sub-section of the IT outsourcing market. It's slated to grow to around \$250 billion dollars in activity this year, which is perhaps 20-25% of the IT outsourcing market. The BPO market focuses on creating value by engineering processes either for quality, speed or efficiency. Voice integrated with business processes has a great ability to provide improved functionality especially as it relates to customer service and logistics. If you work for a company it's really easy for you to tell people who work for you how to do their jobs. But, if you have processes that interact with your customers or their employees, it's more difficult to train them on your processes; in fact, they don't want to hear it. What voice allows you to do is loop customers and employees into a business process in a reasonable and scalable way. That's really one of the foundational pieces of Telco 2.0, which is essentially using web services like those offered by Jaduka to remove friction in the digital economy. We can make a large impact in the BPO and Telco 2.0 marketplaces, so that's how it all goes together.

### 3. Why is Jaduka a leader in this marketplace?

I think there are several reasons. To my understanding there is no other Voice API that is pinged millions of times a day other than Jaduka. So just in terms of API traffic, they are the leaders as far as I can tell. The second is that Jaduka is sitting on top of NetworkIP infrastructure, which is very mature and robust, currently passing 6 billion minutes a year and with a good size revenue base. Unlike our obvious competitors, we have a good base to grow from. But also I think the real place for Voice API's is going to be in the enterprise. That is the focus for



Jaduka more so than any other company. So I think those things that really tag Jaduka as having a leg up on the competition.

**4. What are the pain points within the enterprise these days, and how does Jaduka address them?**

One major pain point for the enterprise at the moment, especially for the mature business is in process optimization. If your business is not growing 200%, then you're focused on how to derive greater efficiencies especially in a down market. That's one of the reasons many leaders believe in the ascendancy of business process optimization. What Jaduka will do uniquely is allow designers and integrators to blend in real-time communications as one tool for making more efficient and more effective processes.

**5. Your mission with Jaduka is allowing computers and processes to communicate with people. How can companies can achieve this, and why?**

The actual methods are voice and messaging and it could either be that we are delivering a voice message in support of a process or we are collecting a voice message from a participant.

**6. You have said that when a process has to communicate to a human (for notification, support, etc.), the enablement of that communication path is what Jaduka does.**

Jaduka enables the individuals who design business processes to integrate human input or human output as easily as they would any other computer element. For instance if you were designing a process where typically you would send an email to a manager telling him something that happened, you could just as easily blend in the ability to phone the manager telling him what happened. The reason why that might be important is because it's faster than email, for example. Using voice message is often more immediate and much more universal. So the mechanism itself is voice, and the idea is to bring this toolset into the designer's hands. The architecture that we work on is Web services architecture. Our model is communications as a service and it is focused on letting our customers trade capex for opex spending.

**7. Talk about your product mix (Click-and-Connect, Conferencing, Diary, Notification) and how Jaduka delivers its services to the marketplace.**

Through my work in the Thomas Howe Company I've come to realize that there is a set of basic tools that can be used and combined to create greater efficiencies in the enterprise. Those four basic functionalities are Notification, which is delivering a voice message to a person; Diary which is the reverse, I'm going to call somebody up and get their input and feedback on his recent transaction; Web initiated dialing or Click-and-Connect, which allows me to connect to people based on whatever I can think of, time of day, skill-set, role, or event, and then finally, Conferencing, which is bringing in groups of people together to communicate. Once you have those four basic services then you have really addressed the bulk of the functionalities required for CEBP implementations and they can be combined together to create very interesting sorts of applications.

For instance one combined application might identify who a person is. Imagine a Homeland Security application where you want to identify somebody standing in front of you. To do it, you'd combine click and connect and the diary functions together by assuring you could call into that person. You would be assured of the right person because his phone would ring and so you would identify a user ID, then collect a predetermined password from that person using the diary function--therefore verifying that same person who answered the phone was the same person who set up the account in the first place.

**8. Cloud computing has tremendous advantages for lowering capex spending. Taking advantage of your services requires no capital outlay, no equipment to install. Your services can be accessed via**



**the Jaduka API. Jaduka is taking a hosted services/cloud computing approach to helping companies integrate communications with business processes. Why?**

It's a real fundamental of economics. If you're familiar with Nicholas Carr's latest book, *The Big Switch*, he makes a fantastic argument about how bringing functions like we provide into the cloud makes basic economic sense in that companies don't have to pay for the equipment or the people to run and maintain that equipment. And then of course there is a risk in time to market. If you really want to get something up and running quickly, going out and specifying a vendor selection will take you months. Getting things tested will take many months versus taking advantage of a cloud computing model where a company can point to and use our API, which might take you all of five minutes. So the benefit is really around reducing time to market, risk, and then of course trading capex profits.

**9. Describe Jaduka's relationships with Serena and IBM.**

Serena is really a brilliant company that makes tools for IT departments to manage either application life cycle or general business processes. Serena uses Jaduka voice services for the Serena Emergency Response application. This includes notifications and tools for improving emergency response communications. What we're able to do in the case of an emergency to call the person responsible for handling a particular situation and bring together the entire management chain by phone virtually instantly.

Our IBM relationship is fairly extensive. We received an award from IBM a year or two ago for our use of their Informix database technology for managing a million API calls a day from our customers and something like 24 million database dips a day and the ability to service a billion user accounts. So we have done some really great work in transaction processing and account management that has given us that advanced technology recognition from IBM. We expect to be expanding our relationship with IBM over time, especially as it relates to CEBP.

**10. Jaduka's parent company, NetworkIP, was among the first telecom companies to introduce a SaaS model...in their case for the prepaid voice industry. How did their experience influence your approach with Jaduka?**

One of the founders and the CEO of NetworkIP, Pete Pattullo, envisioned over 10 years ago the development of a SaaS platform architecture for the telephone industry. He executed that flawlessly at NetworkIP. Pete understood the potential for voice as a service in our industry, and I find that really incredible. What we get from NetworkIP is not only understanding of what operational challenges might exist in providing an SaaS offering in the telecom space -- you simply can't run 6 billion minutes a year and not learn how to do that well -- but we also derive deep knowledge from the business issues that surround SaaS. What has also made NetworkIP successful as their competitors have dropped to the side, are their advanced analytics functions and tools. NetworkIP customers now rely on analytics to get their jobs done. I think that can't be overstated as it's an integral part of the value chain. That's what we derive from NetworkIP and what they've learned in providing software as a service, first to the prepaid industry and now, through Jaduka, to the larger enterprise.

**11. How do you characterize Jaduka as the first true Telco 2.0 organization?**

Telco 2.0 is defined by SDL Partners in England as Telco acting as an entity that reduces friction in the digital economy; they provide several business models in which that can happen. I talk about Jaduka being the first true Telco 2.0 organization. We really think that we can provide that role for our customers. We think that given our backgrounds in transaction processing, our reach into the 500,000 points of sale that we have in the United States, our mature API that runs at scale and our toolset which is appropriate for integration into the enterprise, we can make it our main business to reduce the friction for our enterprise partners in terms of communications and the transaction processing that supports that.



**13. Speak to the value of Jaduka web services to Enterprise software frameworks (from Oracle, Serena, Microsoft) for example.**

We believe and we're not alone, that the major points of differentiation in enterprise software work in the next ten years are going to be in making business processes optimization work. Our APIs and the partnerships we have and we're growing with enterprise software vendors provide a very important set of functionality that the enterprise software developer can use with confidence and with ease. For partners in the enterprise software space, we provide a one-stop shop that they can rely that is free from the considerations of hosted solutions. Avaya is a leader in providing that kind of functionality into the enterprise, but they do it using a platform model where it's behind the firewall instead of our cloud-based approach. And by providing that tight integration, we really radically shorten the development times required for extending existing applications using a service. So for our enterprise software framework customers what we provide them is the ability to have the best in class offering for this very important segment of their customer base.

**14. Speak to the value of Jaduka web services to integrators like EDS, Accenture, etc.**

This is a great thing for them because we really allow them to have two wins here. The first win is we open new practice areas for them. Most of the system integrators today have fairly narrow practice sets, where they're very good at one particular thing, but as time goes on and they're looking to grow and looking to have higher margins, many of them are looking for business process optimization opportunities. What Jaduka web services does in the first case is it gives them larger contracts and more opportunities to work with their customers by giving them a tool that allows them to credibly save these enterprises lots of money, increase processes and improve customer service. The second win is we actually have business relationships with system integrators that allow them to share in our revenue, such that when the system integrators finish the project they don't stop getting paid. They get paid after the fact when people use our service. So it changes their model from a pay-by-the-hour business approach to an additional recurring revenue model after that. That's very attractive to a lot of system integrators, because they don't have the recurring revenue model now. We take care of all the back end stuff for them, operationally it's no different for them--we just send them checks.

**15. Talk about Jaduka Analytics and how this helps clients.**

We're going to announce in the near future how Jaduka analytics is going to serve our customers. At NetworkIP, we're able to show a prepaid voice communications customer, at any particular point in time exactly which one of their routes is profitable and by how much, which are the most popular routes and how they're changing over time. If you are one of our prepaid customers all you have to do is come into our Web site, log in, and you can see if you're making money, how much money you're making and why, where's it happening and what are the trends over time. Really, it's a dashboard for your entire business. We are taking the same approach for the Jaduka offerings in that our system integrator partners will be able to understand and know the business benefits that they're creating for their customers and we think it's going to be a very powerful asset for them.