

# Foreword

In less than a decade, the Internet economy has surpassed century-old industries such as telecommunications, airlines, and utilities in terms of revenues. Milestones that took up to 100 years to achieve in the Industrial Age are occurring at a staggering pace in this new economy. This type of unprecedented growth underscores the strategic role and impact of the Internet, and indicates that companies and countries realize that the Internet is key to their future success and survival.

The rise of the Internet economy can be tied to a new business model in which companies work together to create value for their joint customers. For example, in the 1980s, leading companies focused on internal development to create competitive advantage. In the 1990s, successful companies relied on both internal development and acquisitions.

This decade, leading companies will be those that develop internally, acquire effectively, and form ecosystem partnerships in a horizontal business model. Unlike a vertical business model, in which a single company attempts to excel in every aspect of the business, the horizontal model allows multiple companies to combine their expertise to create comprehensive solutions for their customers.

As a result, big and small companies around the globe are competing on a level playing field. Borders around and boundaries between countries are dissolving, creating a 24/7 marketplace.

The companies that will survive and thrive in this new economy will be those that harness the power of partnerships to turn this fast pace of change into competitive advantage. For example, Cisco and AT&T Solutions are committed to creating Internet solutions that will empower customers with the agility, speed, and technology to differentiate themselves from their competition.

Cisco and AT&T have been working together since 1996 and are equally committed to creating a win-win partnership for our customers, our shareholders, and our employees. Our relationship has been defined through a number of challenges and opportunities, and we have both benefited from our joint efforts.

*Leading at the Speed of Change* outlines how AT&T Solutions has evolved its organization to meet the changing demands and opportunities of today's fast-paced Internet economy. Readers will also gain insight into how a leading company such as AT&T has evolved its business model and strategy to position itself for success in the coming decade.

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