

“Let’s Do Business: Cliché or a New Reality?”

A few decades ago, the opulence of an economy basking in its wealth of good times and the equally posh landscape of yuppie stardom of the 1980’s gave rise to the popular parting, “let’s do lunch”. Despite the smug insincerity of the saying, some people actually believed that the other party wanted the chance to meet again. Call it a new form of social politeness or crass business etiquette, the lesson over time proved to be a falsetto of sincerity. Times haven’t changed much, but the implications of less-than-genuine commitments certainly keep the current economy teetering on the brink of hope and despair.

Just last week we shared the chance opportunity to overhear a conversation during lunch between a network equipment vendor and his client prospect. Aside from the usual chit-chat that comes with marketing enthusiasm, the prospect devoutly nodded his head in fervent agreement whenever he was asked if this particular vendor appeared a viable contender for winning the order. In fact, the prospect went so far as to tell the vendor on several instances that a purchase decision was already affirmed in the company’s favor and that the equipment trial was the very last hurdle to landing the deal. This was stellar news to the vendor since it was obvious that the expenditure of marketing dollars and evaluation equipment had apparently made a positive impact.

Oddly enough, before the meal check arrived, a colleague of the prospect walked over and sat down to join the conversation. Concluding his lunch spiel and paying the bill, the vendor bid his farewells and left the restaurant. No sooner was he out of earshot than the prospect leaned over to his colleague to say with a smirk, “that fellow really thinks his company will get an order from us”. Both of them laugh boisterously and trade insults about the vendor that had just left the meeting—believing credibly in the notion that business was more certain than not.

Taking notice that investment dollars remain tight and technology startups are still struggling to survive, what direction should these pioneers take toward shoring investor confidence and creating an economic profit when false signals cloud their navigation? Carriers have been notoriously slow decision makers when it comes to technology adoption, let alone executing an integration plan. But what happens when the believers, the evangelists, the innovators, and the venture capitalists suddenly decide to give up on telecom and change their appetite for presumably the next big industry? Already, the effects are etched into the capital funding reports that leave some firms wondering how they might ever invest again in any sort of networking venture.

And if the number of Chapter 11 companies doesn’t speak loudly enough, then take a listen to the earning reports of industry leaders such as Cisco, Lucent, and others to hear their unified caution against future progress. Simply underscored, it appears harder to face the future with any deliberate sense of certainty, as companies must hedge to discount the value of pending contracts and business relationships. This comes back to the value system of business at hand and how the economy only inches ahead when real goods and services can be exchanged to propel spending. Empty promises and half-hearted interests should remain outside the walls of an economy attempting to recover its position on positive growth.

Naïve vendors should wise up to the ingrained selling practices required of an industry that is wrought with bureaucracy and layers of strange doubt that consummate acceptance of any new technology. Telecom is not an

evil ogre. It is, however, the 800lb.guerilla that needs plenty of room and time to make decisions. This implies months, not weeks, of selling cycles and steadfast financial resolve. And to those on the buy-side of making purchasing decisions, keep in mind that vendor fancy may change, and the willingness to act with patience could just disappear.

