
Facebook 'friend' heads to Sydney

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Blue Jeans global chief commercial officer Stu Aaron Source: Supplied

FACEBOOK can't live without it and now one of the world's fastest growing cloud services will set up shop in Australia after quietly garnering around 170 local clients.

Blue Jeans Network is a Silicon Valley start-up that offers a platform agnostic, online video conferencing service where no additional or special hardware or software is required.

It can connect people on any system or device -- Cisco TelePresence, Polycom, smartphones, laptops or desktops -- concurrently.

Mobile users can use their favourite communications applications such as Skype, Lync or the humble browser to videoconference.

They can also use the Blue Jeans iPhone or iPad app; an Android version is on the way.

Each session is hosted on Blue Jeans' network and like a telephone conference call, participants are provided with the relevant information via email prior to an event.

They click on a link to start the session and can share presentations during each discussion which can accommodate up to 25 people.

Former Salesforce.com Australia executive Tom Longhurst will head the Sydney office. Already, local brands such as The Good Guys, 99designs and Atlassian have jumped on board.

Blue Jeans global chief commercial officer Stu Aaron claimed that traditional videoconferencing systems cost around \$US1 compared with 10c on Blue Jeans.

Mr Aaron said each year approximately 100 billion minutes of audio conferencing occurred worldwide but video only accounts for 200 million minutes.

He cited three reasons for video's low take-up rate compared with audio -- complexity, incompatibility and cost.

"Traditional video conferencing systems come with a remote control that has more buttons than

people can comprehend," Mr Aaron said.

He said an average worker, afraid to look foolish in front of their colleagues, would seek help from IT each time they wanted to use the videoconferencing facilities. This was both time consuming and a waste of resources.

It's also no secret that videoconferencing has traditionally operated in a proprietary environment.

"Imagine that before you had to make a phone call you had to know what type of phone I had ... sounds ridiculous but that's how video works.

"If you're on Cisco and I'm on Skype it wouldn't work," Mr Aaron said in Sydney yesterday.

Setting up videoconferencing facilities can be an expensive affair and run into the tens or hundreds of thousands of dollars.

"When you put all those three things together it's no wonder people didn't want to use video," Mr Aaron said.

According to market research firm IDC, global videoconferencing equipment revenues slipped 9 per cent in the fourth quarter to around US\$740 million (\$799m) compared with the same period in 2011.

Mr Aaron said Blue Jeans had captured between 25-30 per cent of the worldwide videoconferencing market share in two years.

Without an established office or marketing in Australia, 60,000 people from 169 companies have spent more than 1 million minutes using its online videoconferencing service.

Mr Aaron claimed that local users could have saved around 200 million kilometres in travel after using Blue Jeans.

Blue Jeans first global customer was Facebook which grew from three users doing 100 minutes to around 3000 users on 500,000 minutes a month, Mr Aaron said.

Its largest customer base of 10,000 subscribers comes from a US-based global food and beverage firm which he declined to name.

Mr Aaron said calls over multiple continents make up 15 per cent of its services. This means users in different time zones can take part in the comfort of their home instead of staying in the office until midnight.

Pricing starts at US\$10 per user per month.