The European Commission approved the $3.4 billion acquisition, and the U.S. Department of Justice won't challenge it: **Cisco's acquisition of Tandberg** will go through and change the video conferencing landscape forever.



But as with any political victory, there's wheeling-&-dealing that pays the price for the deal.

In this case, to win EC blessing, Cisco agrees to enhance interoperability between its multi-screen video conferencing offerings and those of competitors.

To blunt the concern of European and American regulators about the potential loss of competition in telepresence technology, Cisco had to agree to give its TelePresence Interoperability Protocol (TIP) to an independent body (as well as the open source software used by those who implement TIP.)

Cisco has to provide royalty-free info on how it implements the protocol. Europe also is requiring Cisco to appoint an independent monitor to watch over the company's regulatory commitments.

The US Justice Department says the "evolving nature of the videoconferencing market" makes the deal between two of the largest player not anti-competitive. That's American-speak describing a market that's going to break wide open as eager companies jump in trying to be the first to mass market video conferencing, creating a commodity market in what has been a walled garden of pricey, closed, high end systems.

Cisco says Bank of America will install the largest Cisco TelePresence system to-date: 200 conferencing units worldwide this year. Good to know those tax dollars for bank bail-outs were put to good use...

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