
TELEFONICA AND ERICSSON PARTNER TO VIRTUALIZE NETWORKS

- Telefonica and Ericsson in joint R&D program for network virtualization
- Partnership on network virtualization will shorten time-to-market and enable innovation for new network services with superior performance
- Program to establish cross-industry view and contribute to standardization bodies

Ericsson (NASDAQ:ERIC) and Telefonica announce the launch of a joint R&D program to understand, in-depth, the challenges and opportunities in network transformation during the coming decade, specifically in the areas of Network Functions Virtualization (NFV) and service provider Software Defined Networking (SDN). At the center of this initiative is the need to build more flexible and cost-efficient solutions, as well as to enable networks as true platforms for innovation.

Enrique Blanco, Telefonica Global CTO, says: “We are living in an extremely dynamic and changing environment, and flexibility is the only approach to efficiently adapt our business to our customers’ needs. Network virtualization brings unique opportunities to address current and upcoming challenges while building a more sustainable network model. This collaboration with Ericsson will help us to advance this future network.”

Telefonica and Ericsson will define a joint view on how the transformation of networks should take place, sharing a common outlook on the order in which network functions will be virtualized and which applications are likely to give the most benefit. Critical considerations to take into account to maintain superior performance of the network when virtualizing it will be also defined. The joint initiative aims to guide standardization and industry bodies, and to provide an important contribution to establishing a cross-industry view of what is needed to take virtualization from theory to reality.

Ulf Ewaldsson, Ericsson CTO says: “A virtualized network will provide an open and distributed execution platform where nodes are capable of hosting distributed network functions. Through network virtualization the network of the future will support innovation and an improved user experience with new, tailored services and more efficient utilization of network resources.”

The Telefonica-Ericsson R&D program includes collaboration in deep-dive technical investigations and testing, addressing areas such as network transformation and migration, virtualization of network functions, network security, SDN technology as well as network virtualization infrastructure, management and orchestration. The collaboration details the Telefonica network architecture and shapes the Ericsson portfolio of products and solutions.

During Mobile World Congress 2014 in Barcelona, Spain, Ericsson is showing world-leading technology and service capabilities and innovations. We believe that anything that benefits from a connection will be connected, and we lead the way with solutions that drive the development in mobility, broadband and the cloud, creating the foundation for eco-systems and transformation across industries. We are your guide in the Networked Society.

You can find us at MWC in Hall 2, Stand 2S60.

PRESS RELEASE
FEBRUARY 24, 2014



Follow us during the event using [@Ericsson](#) and [@Networked_Soc](#) and join the discussion using #MWC14.

Insights from our experts and Networked Society evangelists are also published on our [blog](#) during the event.

NOTES TO EDITORS

About Telefónica

Telefónica is one of the largest telecommunications companies in the world in terms of market capitalisation and number of customers. From this outstanding position in the industry, and with its mobile, fixed and broadband businesses as key growth drivers, Telefónica has focused its strategy on becoming a leading company in the digital world.

The company has a significant presence in 24 countries and a customer base that amounts to more than 317 million accesses around the world. Telefónica has a strong presence in Spain, Europe and Latin America, where the company focuses an important part of its growth strategy.

Telefónica Global Resources is a global operating business unit of Telefónica. Its mission is to optimise the benefits from Telefónica's scale while achieving further efficiency for the whole Company through activities such as simplification, standardization, streamlining and consolidation.

For more information about Telefónica, visit www.telefonica.com

[Ericsson Mobile World Congress Media Kit](#)

Download high-resolution photos and broadcast-quality video at www.ericsson.com/press

Ericsson is a world-leading provider of communications technology and services. We are enabling the Networked Society with efficient real-time solutions that allow us all to study, work and live our lives more freely, in sustainable societies around the world.

Our offering comprises services, software and infrastructure within Information and Communications Technology for telecom operators and other industries. Today 40 percent of the world's mobile traffic goes through Ericsson networks and we support customers' networks servicing more than 2.5 billion subscribers.

We are more than 110,000 people working with customers in more than 180 countries. Founded in 1876, Ericsson is headquartered in Stockholm, Sweden. In 2013 the company's net sales were SEK 227.4 billion (USD 34.9 billion). Ericsson is listed on NASDAQ OMX, Stockholm and NASDAQ, New York stock exchanges.

www.ericsson.com

www.ericsson.com/news

www.twitter.com/ericssonpress

www.facebook.com/ericsson

www.youtube.com/ericsson

FOR FURTHER INFORMATION, PLEASE CONTACT

PRESS RELEASE
FEBRUARY 24, 2014



Press Contact
Telefónica, S.A.

Phone: +34 91 482 38 00

E-mail: prensa@telefonica.es

URL: www.telefonica.es/saladeprensa

Ericsson Corporate Communications

Phone: +46 10 719 69 92

E-mail: media.relations@ericsson.com

Ericsson Investor Relations

Phone: +46 10 719 00 00

E-mail: investor.relations@ericsson.com