

# Ericsson to acquire CENX to boost network automation capability

- Ericsson to acquire CENX – a US-based service assurance technology company. Approximately 185 employees will join Ericsson.
- CENX’s cloud-native service assurance and automation capability strengthens Ericsson’s position as a leading player in the OSS and Managed Services markets.

Ericsson (NASDAQ:ERIC) has agreed to acquire 100 percent of the shares in CENX, boosting Ericsson’s Operations Support Systems (OSS) portfolio with vendor-agnostic service assurance and closed-loop automation capability. Ericsson has held a minority stake in CENX since 2012.

Ericsson has a market leading position in NFV and orchestration. This capability will be further enhanced with CENX’s closed-loop automation and service assurance capabilities. To unleash the potential of 5G, telecom operators need to leverage network virtualization and orchestrate and automate network slices to serve the needs of enterprise customers towards their digital transformation – all while reducing operational costs.

Mats Karlsson, Head of Solution Area OSS, Ericsson, says: "Dynamic orchestration is crucial in 5G-ready virtualized networks. By bringing CENX into Ericsson, we can continue to build upon the strong competitive advantage we have started as partners. I look forward to meeting and welcoming our new colleagues into Ericsson."

Closed-loop automation ensures Ericsson can offer its service provider customers an orchestration solution that is optimised for 5G use cases like network slicing, taking full advantage of Ericsson’s distributed cloud offering. Ericsson’s global sales and delivery presence - along with its strong R&D - will also create economies of scale in the CENX portfolio and help Ericsson to offer in-house solutions for OSS automation and assurance.

Ed Kennedy CEO, CENX says: "Ericsson has been a great partner – and for us to take the step to fully join Ericsson gives us the best possible worldwide platform to realize CENX’s ultimate goal – autonomous networking for all. Our closed-loop service assurance automation capability complements Ericsson’s existing portfolio very well. We look forward to seeing our joint capability add great value to the transformation of both Ericsson and its customers."

CENX, founded in 2009, is headquartered in Jersey City, New Jersey. The company achieved significant year-over-year revenue growth in the fiscal year that ended December 31, 2017. CENX employs 185 people.

The transaction is subject to customary regulatory approvals.

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