



SONY ERICSSON USES TELELOGIC FOCAL POINT TO MAKE DECISIONS WORTH MILLIONS

- Customer:** Sony Ericsson Mobile Communications AB, headquartered in Lund, Sweden, is a global manufacturer of mobile smartphones, accessories, PC cards, and other multimedia consumer products.
- Situation:** The cellular phone market lacks a stand-out product. Sony Ericsson initiates a project to make the P900 smartphone an icon that will take the market by storm. To succeed, new features must be added. Yet new features prolong time-to-market, and the product must be launched as quickly as possible since one week less in development amounts to millions in profits. Development of the P900 must balance the value of adding the features that customers expect against the resources it takes to build them.
- Solution:** Sony Ericsson selects Telelogic Focal Point™ to identify the features that customers want, to prioritize them for the current build, and to allocate development resources based on those decisions.
- Bottom Line:** Sony Ericsson uses Focal Point to identify which features to add, shortening lead-time and making the P900 smartphone a global success.

“With Focal Point, our decision making is better and more efficient than before. This saves valuable time and has a positive impact on our bottom line.”

*- Stefan Munther
Sony Ericsson Mobile
Communications AB*

STORY

The cellular phone industry lacks an iconic product. Sony Ericsson sets out to create it - the P900. To succeed, interdependent product variables, such as size, price and functionality must be managed wisely.

Developing and manufacturing a new phone is a compromise between what customers demand, what they think they need, and what technology can offer. "The great challenge for us is to make the best compromises between contradictory needs," says Stefan Munther of Sony Ericsson. "Everyone can't get everything. But neither must everybody get something because then there is a risk of the phone not being interesting for anybody."

"Fast and efficient product development demands fast and efficient decision-making," Munther continues. "In development, we have to know how our decisions will create additional value in our smart phones. And, at the same time, there's pressure to launch the products quickly. This used to be an impossible equation. But with Focal Point we've finally solved it. This has contributed significantly to the global success of Sony Ericsson P900."

Focal Point reduces time-to-market

The most vital parameter in development is to shorten lead times. Shorter lead times enable faster product launches, increase pricing freedoms, and lengthen the time that a product remains profitable.

"Shortening the lead time by a week can increase sales by several million SEK," says Roland Johansson of Sony Ericsson. "With support from Focal Point, we make better decisions, faster, during the entire development process. Unexplained or incorrect decisions often drastically extend lead times. With Focal Point, our decision-making is better and more efficient than before. This saves valuable time and has a positive impact on our bottom line."

The benefits

Focal Point helps product managers identify and understand what the trade-offs are, and provides a basis to act on those trade-offs. Adding new features during development may add more value, but it will also extend the lead time. "We ask ourselves if adding a feature is worth it," says Johansson. "We get the answer with Focal Point. If we remove a function, we reduce the lead-time, but we may also decrease the value. Is it worth it? Again, Focal Point gives us the answer. Also, we can identify and avoid developing features and functions that only deliver marginal value in relation to the cost of development."

Focal Point helps Sony Ericsson better understand its customer needs. In the process, new requirements are discovered which would otherwise be missed. Stefan Munther concludes, "In the middle of development, we received suggestions of several important needs the phone should satisfy. But we had no time. No one could allocate resources, but everyone wanted to satisfy the needs. We wanted to have our cake and eat it too. We solved the problem with Focal Point - we were able to identify the high priority needs and release resources for satisfying them."

With Focal Point, Sony Ericsson has improved their decision-making capability, shortening lead times and increasing product acceptance and profitability as a result.

About Telelogic Focal Point

Telelogic Focal Point™ is the most comprehensive solution on the market for Decision Support, Portfolio Analysis, and Product Management. Focal Point incorporates innovative tools supporting activities such as stakeholder collaboration, prioritization, decision-making, and visualization. Focal Point, a Web-based solution, is easy to install, roll out, and configure. Customization is done via the tool's Web interface, so companies are up and running in days rather than weeks. When used with Telelogic DOORS® for Requirements Management, Focal Point provides the ultimate solution for delivering the right product to the right market at the right time.

About Telelogic

Telelogic® is a leading global provider of solutions for automating and supporting best practices across the enterprise, from powerful modeling of business processes and enterprise architectures to requirements-driven development of advanced systems and software. Telelogic's solutions enable organizations to align product, systems and software development lifecycles with business objectives and customer needs to dramatically improve quality and predictability, while significantly reducing time-to-market and overall costs.

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