

MESSAGEmanager Named as IP Fax Market Leader



Australian developer MESSAGEmanager has once again been named as an IP Fax market leader in the FoIP Server Markets Report, 2009-2014, published by Davidson Consulting, June 2010.

Published annually by independent industry consultant Pete Davidson, the report “provides an accurate assessment of current market size, segmentation and vendor shares” of the computer based IP fax market. The report is based on interviews and confidential surveys conducted with vendors, resellers and channel players from the US and abroad.

MESSAGEmanager was positioned 5th internationally out of the top revenue-earning FoIP (Fax over IP) server suppliers of 2009. This is a significant achievement when you consider MESSAGEmanager is not marketed into the US and the other vendors' market share includes shipments into the US.

According to Davidson, the fax server market is experiencing strong growth despite the economic recession. This growth is “due primarily to two product segments: Production Fax and FoIP.”

Production Fax is the sending out of hundreds or thousands of faxes from an application in a batch. Each of these faxes may have its own unique content. Production fax can also refer to the processing of inbound faxes in some semi-automated way to minimise the human effort required. Production fax “grew by a surprising rate of 30%...from \$69 million in 2008 to \$93 million in 2009” and last year, “production fax installations started to use FoIP servers in a big way, to the tune of 36% of all production fax servers”.

The FoIP industry “grew by 64% in 2009,” even faster than expected and sales are forecast to increase to \$700 million by 2014, up from \$345 million in 2009.” Davidson believes that FoIP’s performance was “driven by the virtualisation of servers, by the fax-enabling of Sharepoint applications and because FoIP saves businesses money during installation and operation.” Other drivers include Multifunction Devices (MFDs) and the move to Unified Communications.

The benefits an organisation experiences when virtualising have been clearly documented. Surveys show that “20% of businesses are virtualising their servers and so moving to FoIP...and another 20% are planning (to) in the near future.” Also Davidson Consulting believes that nearly a quarter of all businesses are thinking about implementing Sharepoint workflows, with many of them adding fax as a capability.”

Also driving sales is the allure of cost consolidation, a major incentive for businesses to invest in FoIP. Internet Private Branch Exchanges (or iPBXs) use Routers to connect to the PSTN (public switched telephone network) and are much cheaper to run than the station ports used in traditional PBXs and FAX Servers. Using an IP network also reduces the fax call cost from around 6-cents per minute for local and more for international, to next to nothing.

According to Davidson, sales of MFDs are growing by 25% across all continents and Davidson estimates “that 40% of fax server sales are now driven by MFDs.” This industry growth is primarily due to security and compliance regulations, such as Sarbannes-Oxley (SOX), which have increased the reliance on secure, workflow-automated, trackable, virus free and legally-binding fax.

Davidson consulting saw 2009 as a year when Unified Communications...played an increasing role in fax server sales going from driving 19.1% of sales in 2008 to 24.2% in 2009, a nearly 27% increase.

Overall the report painted a very bright picture for the industry, predicting that Asia will be the fastest growing market “with 25.1% CAGR from \$49 million in 2008 to \$160 million in 2014.”