IBM Takes on the 5G Era with Acquisition of Sentaca

Brings over a decade of cloud consulting experience to help telco clients modernize and unlock new revenue streams

ARMONK, N.Y., Feb. 1, 2022 /PRNewswire/ -- IBM (NYSE:IBM) today announced it has acquired Sentaca, a leading telco consulting services and solutions provider. The acquisition will accelerate IBM's hybrid cloud consulting business, adding critical skills to help communications service providers (CSPs) and media giants modernize on multiple cloud platforms, innovate, and transform their businesses.

Headquartered in Boston, Massachusetts, Sentaca's team of highly experienced technology consultants across the U.S. and Canada build and migrate mission-critical applications on leading cloud service providers and open-source platforms like Red Hat OpenShift and OpenStack. Sentaca has supported digital transformation, next-generation networks and improved consumer experience for CSPs and media companies since its founding in 2008.

Sentaca will join IBM Consulting's fast-growing Hybrid Cloud Services business to solve clients' strategic and technology challenges such as cost-of-ownership, monetization, scalable and secure architecture, and address opportunities including 5G, IoT and streaming that can accelerate the creation and delivery of new services. Sentaca's domain expertise, assets and client relationships will help IBM meet industry demand and strengthen its position as a prime systems integrator for the emerging network and 5G market.

"Our goal is to help modern networks thrive in an open, hybrid cloud environment that will bring edge and 5G to life for enterprises and consumers," said John Granger, Senior Vice President, IBM Consulting. "The proliferation of mobile devices, wireless connectivity, and new media platforms is driving convergence among telco, media, and entertainment, which makes our acquisition of Sentaca all the more valuable for our clients."

Since Arvind Krishna became IBM CEO, the company has acquired more than 20 companies - 10 in Consulting alone - to bolster its hybrid cloud and AI capabilities. The announcement of the Sentaca acquisition follows several acquisitions by IBM of leading cloud consulting firms – Nordcloud, Taos, BoxBoat and SXiQ – in 2021,
which significantly expanded IBM's multicloud transformation, management expertise and capabilities in Europe and North America.

"Sentaca's deep knowledge and experience of telecom networks, coupled with our expertise in hybrid multi-cloud and automation services and solutions, is a perfect fit to compliment IBM's telco/5G strategy," said Phil O'Neill, CEO of Sentaca. "We are very excited to join the IBM team and to be in a position to access additional resources and platforms to deliver on even larger and more ambitious enterprise cloud transformation projects within the telco and media industry sector."

91% of high performing communications services providers surveyed by the IBM Institute for Business Value expect to outperform their current financial expectations in five years as a result of using 5G-enabled edge computing. 5G will allow CSPs to offer a range of tailored network experiences for use cases across industries. To innovate and modernize around 5G and edge, telcos are embracing a hybrid cloud future which is expected to grow into an estimated $50 billion annual cloud professional services market\(^1\) by 2025.

IBM has long been trusted by the world's leading CSPs to guide them through major technology inflection points, helping clients co-create unique solutions while supporting them on their network transformation journeys and enabling new revenue streams that deliver value to consumer and enterprise clients. Today, more than 80% of the world's largest telcos work with IBM, and more than 140 telcos are served by IBM and Red Hat.

This acquisition closed on January 31, 2022. Financial details were not disclosed.

To learn more about IBM Consulting please visit: https://www.ibm.com/consulting

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\(^1\) IBM telecom industry estimate.

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