

Massive changes in the business environment drive the need for knowledge networking. Siemens' Information and Communication Networks Division is a global provider of telecommunication solutions, active in more than 100 countries. Since mid-1990s, however, the market environment has undergone a massive transformation and the Siemens ICN business model has been superseded by wholesale market change. New competitors arrived at the scene while the pace of innovation was upped by the introduction of new technology such as IP networks. The company's traditional business used to be quite simple and straightforward: it dominated its home market by means of a close relationship with a regulated national telecom monopoly. Deregulation within the sector led to new types of players in the telecom market, who often cherry-picked the most interesting segments of the value chain. Siemens used this position to sell integrated products to other national telecoms around the world.