

Investigating the Collapse of Nortel: What We Learned

by

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uOttawa Nortel Project Team Members

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This seminar will present the highlights of a three year investigation by a multi-faculty team at uOttawa into the demise of Nortel with a view to learning lessons from its failure. It was not a single event or a particular executive or cadre of executives that brought the company to its knees. Despite its global dominance in many fields of telecommunications in 2000, when it was one of the most valued companies in the world, Nortel failed to identify dynamics of a changing industry and react in a timely and methodical manner.

We will walk you through what we learned and how we conducted the study, a topic of potential interest to class participants. Furthermore, we will emphasize our latest findings in our soon to be released investigative report into technology and technology management at Nortel, especially covering the period between late 1995 and the final end in 2009, a period of unprecedented change in global markets and inside Nortel. We will dispel many of the popular myths surrounding the demise of Nortel.

We also will present a type of management tool we developed to create an evolving picture of the status of Nortel across a number of key indicators. This work is continuing and will form the basis of one or more academic papers about ways and means to monitor and action against strategic business indicators, in our case with an emphasis on Nortel technology and technology management.

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Peter MacKinnon – A Bio

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Peter MacKinnon has a professional background built on a wide range of experiences derived from holding positions as a scientist, business manager, entrepreneur, bureaucrat, executive, diplomat, management advisor and academic. He seeks to make a positive difference in all of his undertakings.

His experience spans the globe and includes working for a wide range of public and private organisations in many countries (e.g., Australia, Belgium, Brazil, China, France, 'Hong Kong', Germany, India, Italy, Japan, Senegal, Spain, Switzerland, The Bahamas, The Netherlands, United Kingdom, South Africa and the United States, among others). He also represented Canada at the *Organisation for Economic Cooperation and Development (OECD)* in Paris for five years, where he served on the *Information, Computer, and Communications Policy (ICCP) Committee*.

He has written many successful business plans, product strategies and business and academic proposals, resulting in the raising of hundreds of millions of dollars. He works with diverse groups of stakeholders in a number of economic sectors (e.g., healthcare, natural resources, education, security and defence, and manufacturing) and across many cultural environments. In addition, he works with and serves on Boards, including currently serving on the Board of Directors of *National Capital FreeNet*, one of the oldest not-for-profit internet service providers in North America (www.ncf.ca).

Peter has been involved in creating a number of start-ups and in assisting a variety of small to medium size enterprises (SMEs) across a number of industry sectors. Assistance covers all aspects of start-up and addresses many business issues in SMEs, such as updating business plans, product plans, alliances, fund raising, mentoring executives, and recruitment of key staff, among other activities.

Mr. MacKinnon has been involved in public and private sector policy development for many years. During this period he has had a number of engagements that broadened his career experiences. For example, Peter has been seconded to the Government of Canada on two occasions through the *Executive Interchange Program*. The first secondment was to the *Ministry of State for Science and Technology*, a central agency, as the *Special Advisor for Advanced Information Technologies* and the second secondment was to *Foreign Affairs and International Trade* as *Counsellor and Special Advisor Investment* at the *Canadian High Commission* in London, United Kingdom. Both these two year appointments afforded a wide range of high-level government and government/industry experience.

Peter is frequently engaged in planning and strategy development in both the public and private sectors. Related to this practice, he has been a long-time member of the *Bacon and Eggheads Breakfast Club* (www.pagse.org/en/breakfasts.htm) and the *Foresight Synergy Network* (<http://macnash.telfer.uottawa.ca/fsn/doku.php>), both dealing with strategic issues facing society.

He is a confident speaker and a well-honed writer. He lectures widely and publishes in several fields in addition to carrying on scholarly reviews of academic papers for journals such as the *Journal of Evaluation of Clinical Practice Policy* ([http://onlinelibrary.wiley.com/journal/10.1111/\(ISSN\)1365-2753](http://onlinelibrary.wiley.com/journal/10.1111/(ISSN)1365-2753)) and proposal reviews for organisations such as *Mitacs* (www.mitacs.ca), the *Natural Sciences and Engineering Research Council* (NSERC), and the *National Digital Research Centre* in Dublin, Ireland (www.ndrc.ie).

Peter started the uOttawa investigation into the demise of Nortel, which has led to a multi-faculty team toiling for some three years seeking lessons that can be learned from Nortel's business failure.

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Peter Chapman - Bio

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Peter Chapman is an engineer with broad experience in management of high technology business. Mr Chapman has held positions in engineering management, technical marketing and sales in a range of technology based industries covering aerospace, digital television, semiconductors, telecommunications, software management and wireless systems. He is the author of a number of patents in wireless and network security. He has been a member of the innovation forum and the patent review board at Nortel Networks.

As an engineer Mr Chapman has carried out pioneering work in digital control systems for the aerospace industry and in digital television. At Nortel he developed a conceptual next generation Internet which has the potential to overcome many of the security issues currently affecting Internet communications.

He has worked in Europe and held position in sales and marketing developing sales in many countries throughout the world.

He has written business plans for a number of start up businesses and for new ventures within established businesses.

He is currently developing original technologies for dealing with the problem of malware intrusions across telecommunication networks and in computer systems.

Mr Chapman is a Chartered Engineer and a member of the IET (UK). He studied Electrical Engineering at Imperial College, University of London under an industrial scholarship from the UK Atomic Energy Authority.