

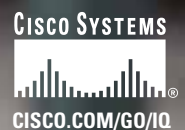
Your Business Just Got Smarter
FIRST QUARTER 2006

Weathering the Storm

PREPAREDNESS
PLANNING IMPROVES
BUSINESS CONTINUITY

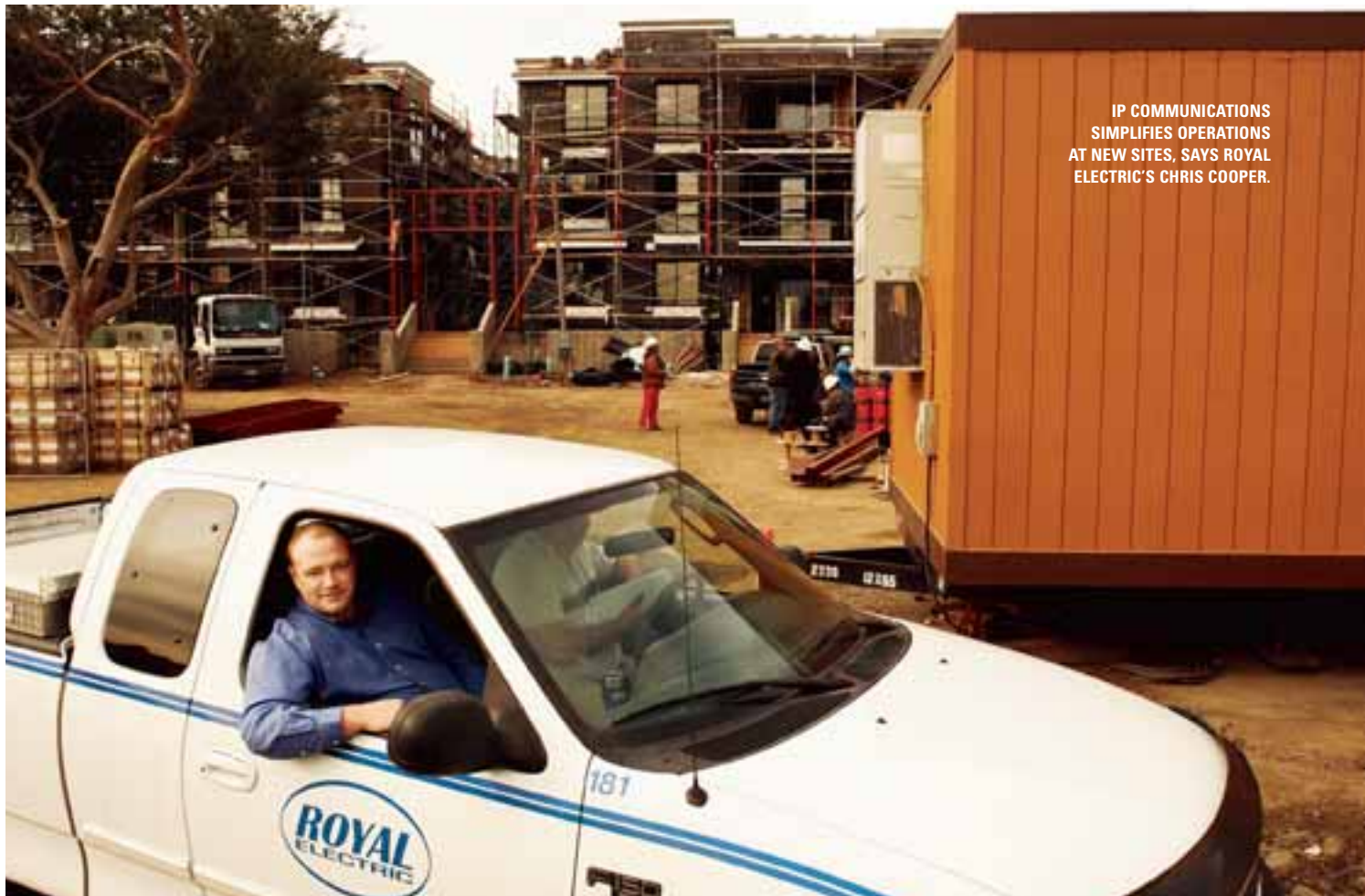


LINDA ROMANO,
NURSES PRN



BUILDING BETTER COMMUNICATIONS

Cisco and SOS help an electrical contractor streamline job-site operations.



IP COMMUNICATIONS SIMPLIFIES OPERATIONS AT NEW SITES, SAYS ROYAL ELECTRIC'S CHRIS COOPER.

PHOTOGRAPHS BY ERIC MILLETTE

LIKE MANY COMMERCIAL contractors, the Royal Electric Company, headquartered in Sacramento, California, does business on the slimmest of net profit margins, typically between 2% and 5% per construction job.

So when Chris Cooper, Royal Electric's manager of Information Services, sought to replace the company's traditional analog phone system, he had some bottom-line objectives. He wanted a solution that would routinely raise the company's margins through streamlined operations, reduced toll charges, and new capabilities for better customer service.

***“THERE ARE QUALITATIVE BENEFITS
OF IMPROVED CUSTOMER SERVICE,
AND SIMPLY LOOKING AND ACTING LIKE
A LARGER COMPANY.”***

— Chris Cooper, Royal Electric Company

Today, Royal Electric, with more than 250 employees and annual sales of \$40 million, enjoys an additional 1% on its margins. Cooper attributes this 20% increase in overall profitability directly to the company's new Cisco IP Communications solution, deployed by Cisco SMB Select Partner SOS. “The numbers are based on toll bypass and all the time our employees save by using new integrated voice and data capabilities, like conferencing and unified messaging, which also allow us to improve customer service. It's a great improvement to the way our company operates, and to our bottom line,” says Cooper.

JOB SITES NEED CONNECTION

Royal Electric specializes in commercial, industrial, airport, highway, underground, and multifamily housing construction projects. It sets up remote offices—usually large trailers—at each job site for its planners, engineers, and electricians. It's common for the company to have 20 remote job sites at any one time.

“In the past, anytime we were awarded a contract, it would take 30 to 90 days to get phone service to the new site,” Cooper says. “Even when we got the phone service up and running, paper-based information still had to be sent by express delivery or fax between remote offices and headquarters daily.”

Today, with its new solution and additional help from Internet service provider Span the Wan, the company can set up its remote-site networks—including phone

and data access and T-1 connections—within just 30 days.

Royal Electric's other problems with its old analog telephone systems were the high expense of employee moves, adds, and changes, as well as system management. According to Cooper, these phones also had very few telephony features.

In November 2004, Cooper began looking for a way to solve the problems and take advantage of communications based on Internet Protocol (IP). An IP network

TECH TERMS DEFINED

T-1: A standard used in the United States and Canada for a wide-area network link that transmits at the digital signaling speed of 1.544 Mbps in both directions. T-1 is delivered through fiber-optic or copper “pipes.”

END-TO-END: From the source point to the destination point on the network.

allows voice, video, and data all to run on the same network. “First, we considered hybrid systems, but we found that many of those vendors were simply trying to put an IP mask over an analog system,” Cooper says. Cooper then contacted Cisco Systems, attracted by the company's claim of end-to-end IP Communications.

“The Cisco IP Communications solution eliminates duplication of infrastructure for voice and data, and drastically lowers the costs of moves, adds, and changes,” he says. “It offers anytime, anywhere access—our people have the same phone number and features wherever they are working. And it offers other time-saving features, like unified messaging, global directory, and four-digit dialing.”

SOS DELIVERS THE ANSWER

Cisco referred Cooper to SOS, a Northern California-based Cisco Premier Certified Partner that has earned the IP Communications specialization.

“Initially, Chris came to us with the idea of simply replacing the analog phone system in the company's headquarters. But he quickly decided to outfit every remote site once he understood the benefits,” says



**PROJECT MANAGER
CHUCK FORBES INSIDE
ONE OF ROYAL ELECTRIC'S
REMOTE OFFICES**

SOS CEO Gia McNutt.

The reduced telecommunications costs, increased capabilities, and ease of management made the investment worthwhile, Cooper says.

To prepare for the upgrade to IP Communications, SOS and Cooper reconfigured Royal Electric's network to ensure easy and scalable remote-access security between all company sites, not just from each remote site to headquarters.

"It's a much smarter infrastructure for their needs and gives them room to grow," says McNutt.

Early in 2005, SOS provided Royal Electric with a demonstration system, which Cooper tested on-site for four months. "It was such a success that our users wouldn't let us give it back to SOS until we had our own system in place," Cooper says.

The actual deployment, in April 2005, took just a few weeks and progressed without problems. Cooper attributes the smooth implementation to SOS's experience and willingness to provide on-site demos and evaluation. "I think it's critical to have a local partner backing you up," he says. "SOS was always ready to help when we had a question or concern."

TIME IS MONEY

Royal Electric's converged network brings the company tens of thousands of dollars in productivity benefits, starting with faster



TEAM PLAYERS

MISSION: Cisco Systems and SOS (team-sos.com), a Cisco SMB Select and Premier Certified Partner, work together to provide Cisco IP Communications that deliver immediate strategic and financial benefits to a range of public- and private-sector organizations.


STRATEGIES: The strategic relationship is built on Cisco's leadership in developing intelligent infrastructure solutions for businesses of all sizes, combined with SOS's expertise in IP Communications and network management.

PROGRAMS: Cisco and SOS develop joint initiatives and implementation teams that take advantage of Cisco scalable networking technologies and SOS's networking, IP telephony, and solutions integration experience.

remote deployments. "Now I don't have to visit every new site. I simply pre-configure a router and ship it to the site," Cooper says. "I can deploy in 30 minutes. That's a very big time and money savings for me, especially since I am the only one who handles both voice and data for the company."

Cooper estimates that his company saves about \$50,000 annually due to increased employee productivity and time saved by utilizing new capabilities such as conferencing, directories, and unified messaging.

Cooper also calculates that Royal Electric saves approximately \$72,000 annually on phone bills by routing calls on the network. "And then there are the qualitative benefits of improved customer service, and simply looking and acting like a larger company," he says.

All this adds up to improved profits that have Royal Electric humming. 

ERIC J. ADAMS KEEPS THE LIGHTS BURNING BY WRITING ABOUT BUSINESS FOR THE NEW YORK TIMES, LOS ANGELES TIMES, iQ MAGAZINE, AND OTHER PUBLICATIONS.

NEXT STEPS

For more information about Cisco resellers who specialize in helping small and medium-sized businesses, go to cisco.com/go/iq-smbselect.

Learn more about Cisco IP Communications solutions at cisco.com/go/iq-smbipc.

FROM CISCO

NEW SOLUTIONS INCLUDE FINANCING AND SUPPORT OPTIONS

The Cisco Business Communications Solution addresses the need of small and medium-sized businesses (SMBs) for smart, simple, and secure solutions. It features a complete package of products, services, support, and financing options to help businesses meet their growing need for cost-effective integrated communications.

For businesses with between 20 and 250 employees, the Cisco Business Communications Solution is based on the Cisco Catalyst Express 500 switch and the

IP Communications Express Solution featuring Cisco CallManager Express and Cisco Unity Express within the Cisco Integrated Services Router.

The Cisco Business Communications Solution is especially valuable to SMBs because it doesn't stop at products alone. It includes Cisco SMB Support Assistant, a technical-support service designed specifically for the needs of SMBs. It provides access to Cisco technical experts, operating system software maintenance releases, and advance

hardware replacement, as well as access to the SMB Support Assistant Web portal and client electronic tools, which simplify the ability to set up, configure, and troubleshoot products.

New Easy-Lease financing from Cisco Capital is also available in many parts of the world. It features a fast, simple, and efficient application process with expedited funding of up to 60-month terms with a competitive rate pricing structure focused on Cisco Business Communications Solution products.