

## **IP Set To Cut Network Costs By A Quarter in 2004, NextiraOne Believes**

22 March, 2004, IP networks will come of age during 2004, with the ability to reduce network purchasing and operational costs by up to 25 per cent, according to customer analysis undertaken by NextiraOne. IP communications will start to become dominant during 2004 as organisations begin to realise substantial cost savings compared to their legacy networks, on top of major increases in both staff and company productivity, NextiraOne believes.

NextiraOne is a leading global provider of communications solutions with 2,600 service engineers trained in IP telephony. It has installed networks covering more than 45,000 Telephony over IP (ToIP) users, combining voice and data and over 300,000 Voice over IP (VoIP) user licenses across Europe. It undertook a study of the costs that its key European customers had saved by embracing convergence. The exercise compared IP networks' total cost of ownership, employee motivation and effectiveness, and organisational effectiveness against traditional alternatives such as circuit switched networks.

The NextiraOne study revealed that the total cost of ownership could be significantly reduced – by as much as 25 per cent - when converging multiple communication networks to a single IP network. NextiraOne customers have already begun to achieve cost efficiencies of around 20 per cent. For example Stockton Council with 160 sites in the UK will realise over €500k per annum savings from a combination of reduced call costs, lower management expenses and savings in bandwidth usage by replacing their legacy voice and data network with a converged IP solution.

“What IP communication offers - cutting cost of total ownership and making staff more productive - is what all companies dissatisfied with the inflexibility of their legacy networks desperately crave,” said Jean-Louis van Houwe, director voice and convergence, NextiraOne. “We expect big changes in 2004 - it will be a breakthrough year for IP communications.”

The major savings can be achieved by cutting down the amount of hardware needed and less reliance on expensive operator networks. This includes a reduction in the amount of

cabling required for deploying an organisation's network as well as simplified MAC and network management throughout the central office and its branches.

More importantly IP communication solutions can also enhance employees' effectiveness and motivation by enabling instant access to enterprise applications and information.

Converged voice, data, unified messaging and videoconferencing delivered to employees' desktops allows them to work flexibly, whether in the office, at home or when travelling.

NextiraOne's 'teleworking' customers have increased their staff productivity by up to 50 per cent and seen motivation rise by 30 per cent since moving to IP solutions, the study showed

Research from IDC estimates that the market for IP telephony will be worth \$40.8 billion by 2007.

NextiraOne has already deployed the largest IP telephony network in Europe for the Polish Border Guard. The network will assure communications between 12 regional branches and over 300 locations such as border passes, checkpoints and posts. It enables voice and data transmissions, as well as providing secure Intranet and Internet access from 6.5 thousand terminals.

To download the management report 'IP is Everything Management Report FREE, please visit <http://www.nextiraone-eu.com/>

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### **About NextiraOne**

Headquartered in Paris and Houston, NextiraOne is a leading global provider of integrated enterprise network solutions and services that enable effective, reliable business communications. We cover everything from planning and design to the implementation, support and management of voice, data and converged communications networks. We provide best-in-class technologies from leading partners including Alcatel, Cisco Systems, Genesys and Nortel Networks. And we offer consultation and solutions development ranging from contact centre applications to network infrastructure outsourcing. Discover more at [www.nextiraone.com](http://www.nextiraone.com). NextiraOne is owned by Platinum Equity ([www.platinumequity.com](http://www.platinumequity.com)).

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