

Case Study

IP Telephony move nets large rewards for Oxoid Australia



Client
Oxoid Australia

Oxoid Australia is the local sales and distribution arm of the UK-based Oxoid Group, one of the world's leading manufacturers and distributors of microbiological culture media and other diagnostic products. With its headquarters in Adelaide, South Australia, the company relies on a team of sales representatives located in Adelaide, Melbourne, Sydney, Brisbane and New Zealand. The Oxoid range of products is used in clinical and industrial laboratories to isolate and identify the bacteria or other organisms causing disease or spoilage. The Oxoid Group is part of United States-based Thermo Fisher Scientific, a world leader in serving science.



The Problem

Oxoid Australia operated a standard PABX phone system from its head office in Adelaide to keep in touch with its small team of national and international sales representatives. Working from home offices, the company's sales reps were making calls and faxing, each using two standard PSTN phone lines per office, at standard rates.

When Oxoid opened its New Zealand office in 2006, the company noticed a significant jump in its telecommunications costs, with a steady flow of calls and faxes (up to 50 pages at a time) being charged at international rates.

The New Zealand situation highlighted Oxoid's growing concerns over running decentralised telephony services, with its high call and infrastructure costs and management overheads. Furthermore, the reps were all connected to head office via a virtual private network (VPN) for their IT services, such as email and Internet access – but not for voice.

At this point, Oxoid decided it was time to explore more cost-effective options such as Voice-over-Internet Protocol (VoIP) phone systems.

Working with Vlnet Solutions

Greg Ashworth, Oxoid's General Manager, explains the advantage of working with Vlnet Solutions:

"The level of personal service really stands out. The way Vlnet sees it, they're not solely focused on providing an IT solution or dropping a piece of technology on a desk and turning it on. For them, it's more about looking for other ways technology can help the business".



Case Study

The process

As proof of concept, Cisco Unified Communications Manager Express (also known as CallManager Express) was deployed alongside the existing telephone system to analyse and compare the costs of running each system.

Vinet estimated that Oxoid could save around 40 percent a month with Cisco's IP phone system with a return on investment in 20 months because free calls could be made over its existing wide area network (WAN) and the amount of infrastructure it needed could be pared back.

The CallManager router was installed in the Adelaide office along with 45 fixed and wireless Cisco Unified IP Phones. Another 15 or so Cisco handsets were distributed to Oxoid's remote sales offices and NZ.

A GSM Gateway was also incorporated into the VoIP solution, which enabled Oxoid to make cheaper mobile calls to numbers nominated on the company's group mobile phone business plan.

A winning outcome

Since Vnet implemented Cisco CallManager Express and the IP phones, Oxoid has slashed its phone and fax bills, reduced infrastructure and centralised its communications.

Down by more than 80 percent

Vnet's solution returned almost double what Oxoid expected to save. The company has been able to cut its phone bill by over 80 percent and shorten its return on investment to just over 12 months. In addition, the company has also saved on infrastructure by moving fax and phone onto a single line, halving the number of phone lines its sales reps needed at each home office.

The previous decentralised phone model has been turned on its head. With the Cisco Unified Communications solution in place, Vnet has centralised the management and administration of Oxoid's telephony. This also enables the company to take control of its telephony, doing away with the additional costs of external technicians to connect new or reconnect existing extensions.

Oxoid can also now conference in up to eight callers at a time. This has provided substantial benefit because it enables their dispersed sales team to easily operate as a unified team. The previous set-up could only deal with two or three callers on the line at once.

Next step

Vnet is looking to further upgrade Oxoid's WAN infrastructure, which will enable the company to expand its use of telephony, such as the ability to support video. The upgrade would see the company move from a public digital subscriber line (DSL) to a Multi Protocol Label Switching (MPLS) network.

Vnet is also preparing to introduce soft phone technology to be used on laptop computers when sales reps are travelling.

The Vnet difference

"Vnet doesn't sit back and wait for us to make suggestions. They are forward-thinking. With the Unified Communications deployment, they saw an opportunity for us to make some improvements to our telephony set-up, which would return some significant long-term cost savings to the business.

Vnet was quite analytical in their approach. Working with them, it felt more like we were dealing with a partner rather than a supplier. It wasn't just about offering a product but centred more on how the solution was going to work with our business. They understood our business needs and were able to put forward a compelling case, which financially stacked up.

We like to think of ourselves as innovative and progressive with using technology, but we did have some concerns about the quality of VoIP early on. In Vnet's sure hands, however, we were confident that they would handle any issues that cropped up. We have not been disappointed".

Greg Ashworth, General Manager, Oxoid Australia

A final word from the client

"Over the years, Vnet has consistently shown us to be enormously helpful, thorough and professional. They are particularly good at completing jobs within given timeframes and to budget as well making sure the transition from old to new is as smooth as possible.

On this particular occasion, the team has done a brilliant job installing our new Cisco Unified Communications solution. Our phone bills have dramatically shrunk. As well, we've been able to explore with Vnet the potential for using video conferencing to talk with our colleagues overseas as well as a cost-effective, centralised training and presentation tool for our sales teams.

Because IT is so critical to our business, what has impressed me the most with Vnet is their commitment to a consistent level of high performance".

Haig Henry, Marketing Manager, Oxoid Australia

"The Vnet team looks at our business and puts together technology that matches our needs. They take a highly strategic and proactive approach, which is unbeatable."

Haig Henry, Marketing Manager, Oxoid Australia



Technically Speaking

Vnet's Unified Communications solution for Oxoid Australia includes:

Cisco Unified Communications Manager Express
Cisco Unified IP Phones 7912, 7961, 7921, 7936



© 2009 Vnet Solutions Pty. Ltd. The information contained herein is subject to change without notice. The only warranties for Vnet products and services are set forth in the express warranty statements accompanying such products and services. Nothing herein should be construed as constituting an additional warranty. Vnet shall not be liable for technical or editorial errors or omissions contained herein.

Some images contained herein are courtesy of Cisco Systems Inc. Unauthorised use is not permitted.

VInet
SOLUTIONS