

INTERVIEW TRANSCRIPT

Interview on behalf of Qwest

Michael Allison

Murdoch's Ranch & Home Supply

IT Director

Last updated: 2008 Oct 24



Product(s): One Flex: Integrated Access
Industry: Retail

1. Business need

"Primarily, we were looking at replacing Internet access at a number of locations. We chose Integrated Access to reduce the number of phone lines at our stores and to reduce our data costs for Internet access. All our stores come to our ERP system via VPN, so the data part of it's really critical. And Integrated Access just happened to be a very good fit for our situation in that the combination of the number of telephone lines that we need in conjunction with the bandwidth that we need for data happen to fit into T1 bandwidth very well."

2. Evaluation & selection

"Primarily, what we were looking at was the cost of the data connections at the locations that we have. Now since we're in the ranch and home business, our locations are not in major population centers, so for us, the criteria is easy. There's only 'X' number of providers that provide access at those specific locations, and so that's always been an issue with us in that we only may have two or three providers in a location who we can do business with. So what was really a benefit for us is in times past, Qwest hasn't been able to provide us service at these locations at a cost competitive price, but now they're very competitive--in fact, extremely competitive. And so we knew that Qwest had good service and could do the job for us, but we needed to have them available at those specific locations, and now they are.

We basically looked at two other providers in evaluating it. The approach we took was specifically a cost approach. What we did was we did an analysis where we looked at the cost of our current situation and then we looked at the cost of proposed solutions and then took the one that was most cost competitive."

3. Why Qwest?

"We had one specific proposal from a company that came in and they would have been able to do all our Internet access at a pretty good rate, but they couldn't handle the voice side of it, and Qwest came in and basically for essentially the same amount provided both the Internet access and the voice component. So for us, it was really pretty much of a no-brainer--the Qwest proposal won hands down just because they could provide more of the service that we need.

The other reason that we chose Qwest was for service reasons. We know that Qwest is very well established; that if we have problems, we can get Qwest's support people to those locations and get the level of service we need. So service is always big. If our stores are offline because the Internet circuit is down, then that is a real expense for us because our point of sale is run over the VPN across the Internet. So we wanted to know that we were going to have a high level of reliability and if we needed to have service, that there would be someone who could be there. We know that Qwest has those capabilities.

Most of the other providers that we dealt with were relatively small, and so the Qwest knowledge comes in--you know, can they provide the level of service that we need? And quite often, the answer is 'No'."



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4. The implementation/installation

"The installations went really easy. One of the things that I had to make sure that I did on my part was my portion of the project, and so what I found that I needed to do was be able to communicate specifically to Qwest what I would need to accomplish. You know, I needed to identify specifically the lines that were in the stores, how those lines were to be used--and then at the same time, I had to coordinate having a third-party phone installer on site at the time of the cutover so that they could do the reprogramming of our PBX to the Integrated Access. So as long as the person who's managing the installs does all the necessary work beforehand--you know, to make arrangements for telephone installers and reprogramming of phone systems--it's really quite easy.

Typically, we would schedule a cutover from our old system to our new and it would take about an hour, and we had no issues with all six. There were no problems.

We had six locations where we were implementing Integrated Access. Our stores are very similar to the others, so in each store we would have 12 telephone lines that were coming into the store into a PBX, of which seven of those lines would be in a hunt group. So with Integrated Access, we would have Qwest come in and basically move all the lines that were in a hunt group over to Integrated Access, and then we would have a phone installer come in and reprogram our PBXs accordingly. So what this did was it allowed us to reduce seven telephone lines at those locations. The other lines that weren't eliminated were fire and security and fax lines. And all the installations took in the neighborhood of just one hour and we really had no issues with any of the installations. They worked from day one and we really haven't had problems since."

5. Overview of solution

"At our corporate headquarters, we use Qwest for our corporate telephone system, for all our local access, and for our long distance. And then we also use Qwest at each of our stores, and so we currently have 14 stores, of which six have Integrated Access. And our hope is that we can expand Integrated Access to the other eight locations as it becomes available. For the eight locations that don't have Integrated Access, they have Qwest T1s for data access so that we can do VPN to our corporate headquarters, and then they have typically 12 1FB business lines that they use for the telephone system."

6. Customer service

"The customer service at Qwest has been very good. I will say that from past experiences, the level of service can be a function of the sales representative, and currently our sales representative's taking very good care of us. I've had experiences with Qwest with other sales representatives that haven't been as attentive to our needs. I have had discussions with Qwest about that, but I really haven't had any issues with service for the better part of four years. And from a technical perspective, when we have technical issues, the Qwest technical service is very strong. In situations where we have had service go down, Qwest has been aware of the problem immediately, has contacted us, and typically the outage has been an acceptable period of time. So the service has actually been quite good."

7. Most valuable features

"We think the on-network calls will make a significant reduction in our long distance expense, but it hasn't at this point yet because we don't have the Integrated Access at our corporate office. Now when that is installed, which I'm told will probably be first quarter of next year, then we should have a fairly significant reduction in our long distance expense because the majority of the calls that the stores make are to our corporate headquarters.

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Hunt groups are critical to what we do. When a customer calls our stores, they need to make sure that our system is able to hunt and find an available line, and so that's the primary purpose of the phone lines that we have coming into our stores is so that customers can reach a sales representative and get their questions answered. And so the hunt group was quite important, and of course Qwest handles all that in their network, and so it was really quite easy to port our hunt groups over from the standard business lines that we were using into the Integrated Access; we had no problem doing that. In fact, we were able to actually add some additional numbers, at no cost, to our hunt groups."

8. Non-financial benefits

"The primary non-financial benefit that I personally have seen as Manager of IT is the fact that we are now able to single-source all our telephone and data needs from one provider. Before we did this, we were all over the page in terms of who we were doing business with at specific locations, and the headaches that come from that are invoicing headaches and also support headaches because anytime you need help, you have to go to a different service provider. So for us to be able to single-source from Qwest and have one contact number for billing and one contact number for support and one contact number for our sales rep has really led to a lot of efficiencies and made our lives much, much easier.

The service that we're getting from Qwest is more reliable than our previous services. We had, at some of our retail stores, tried DSL and commercial cable for data needs and we found that the performance of those weren't meeting our needs, and that was one of the reasons that we were attracted to T1s--because it's a far more reliable service. So for instance with cable, even though they said it was a business solution, we would see a drop-off in the performance at around 3:00 every day, which was when the kids from school came home and jumped on the Internet, and so it let us realize that the bandwidth was being shared a lot more than we were led to believe, whereas with the T1s from Qwest, we know that we're going to get the bandwidth that we need and that it's going to be consistent."

9. Measurable benefits

"Virtually all the providers came in at close to the same amount for Internet access--for a T1 to the Internet. But when we coupled in the fact that we were going to be able to eliminate typically seven business lines at 45 dollars a line per store per month and have free long distance between those stores, then those are where the real savings came in for us. And at this point this year, we have already seen that we're probably going to save somewhere in the neighborhood of 50,000 dollars over what we spent last year--for an increased level of service. So for us, it's worked out pretty well.

Another consideration is the fact that Qwest is a huge organization with great support personnel, and so we have found that when we do need support and we need to understand why we're having problems, that Qwest is very reliable and can typically provide the answers and solve the problems in a short period of time."

10. Areas for improvement

"The only complaints that I have are on some of the timelines. Qwest had projected [the availability of] OneFlex Integrated Access at a number of our locations that they have yet to deliver--and I'm not sure when that is going to be available. We would like to have Integrated Access at all our locations, and a lot of it is a function of the Qwest business model. You know, they won't bring in Integrated Access, of course, until it makes financial sense for them, which is completely understandable. But being in some fairly small towns, I'm not sure when Qwest is actually going to make that service available at some of our locations, and so what we're going to have to do is look at alternative solutions, which will probably be VoIP at those locations."

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11. Future plans

"With OneFlex service, we plan to roll it out to any location where Qwest has it available. We are convinced that it's the correct solution for us and we will introduce OneFlex just as quickly as possible at any of our other eight retail locations. If we find out that it may be a period of time before Integrated Access is available at those locations, then we're probably going to go down the road and look at a voice over IP solution."

12. Recommendations and advice

"Probably the best advice that I can give a person who's considering this solution is to understand what your telephone and your bandwidth needs are. Our phone service and our bandwidth needs are pretty well defined. At our stores, we typically have about seven lines that are in a hunt group, and then we need to have somewhere in the neighborhood of 1 meg available for data needs. And so with that configuration, T1 Integrated Access fits our model very well. So you need to have a good understanding of what your bandwidth needs are and your telephone line needs, because each telephone line takes up a portion of your bandwidth, and so you need to make sure that there's enough bandwidth to go around or that you purchase enough bandwidth so that it fits your model."