

Next Steps

TEC plans to rely on Cisco Capital and use the Cisco Unified Communications system to link up its 20 business centers in Asia Pacific. This will include 3,000 to 4,000 Cisco Unified IP phones throughout the region.

On the drawing board is an e-fax service which will allow customers to receive facsimiles via their computers.

"We are delighted to work with TEC, a leading serviced office provider in Asia," said Charleston Sin, general manager of Hong Kong for Cisco. "Cisco Capital gives customers like TEC immediate ROI and enhances their ability to respond to swift market changes in a timely manner. Our flexible lease option allows customers to stay competitive by avoiding the risk of technology obsolescence and migrating to new technologies cost-effectively."

"This project underlines Cisco's commitment to help companies in different sectors migrate to an IP-based infrastructure and deliver value-added services to their own customers," said Sin. "Serviced office is a new and innovative concept in the region. It benefits from the support of a provider of leading-edge technologies and a flexible financing program such as our lease option."

Executive Summary

Customer

The Executive Centre

Industry

- Serviced and Virtual Office

Business Challenges

- Stay ahead and fend off competition in the highly competitive business environment found in the serviced and virtual office industry.
- Offer services based on IP technology, as existing PBX system lacks the flexibility for technology upgrade.
- Provide customers with a low operating cost integrated voice and data service which helps TEC maintain strong cash flow.

Solutions Provided by Cisco

- Migrate voice communication system to IP-based platform.
- Simplify accounting and administration system for TEC and its customers.
- Cover initial investment of upgrade with leasing option.

The Benefits

- Immediate ROI
- New differentiating services and revenue streams
- Fast, cost-efficient response to market changes
- Significant cost reduction
- Consistent services in different centers
- Customer satisfaction

Reap Immediate ROI, Respond Rapidly to Changing Communication Needs and Generate New Revenue Streams

Among the First in the Serviced Office Industry in Asia Pacific to Invest US\$1 Million to Build an Advanced IP-based Cisco Unified Communications system

"The Cisco routers and switches we implemented previously have given us substantial confidence in deploying Cisco solutions to build mission-critical voice and data systems. In addition, the expertise, resources and support for Cisco solutions are readily available in the market,"



**Mr. Alan Seigrist,
Group Director of The Executive Centre**

The Executive Centre (TEC) is a leader in Asia-Pacific's serviced and virtual office industry, providing both furnished office space and an e-office environment for clients who do not have a direct need for an established office but wish to provide their staff and customers with the facilities typically found in an office. TEC addresses the needs of both global and local businesses for maximum office space flexibility and cost effectiveness. Since opening its first business center in 1994, the company has expanded its network to 20 centers across 10 commercial hubs in the region.

As the industry frontrunner, TEC decided to move into the digital age with Cisco's IP-based phone and data network, the Cisco Unified Communications system. With this Cisco solution, TEC became one of the first in the industry to deploy an IP-based communications system to support its customers' voice communications needs. TEC also selected a unique Cisco Capital lease option to finance this deployment. The ultimate objectives of this upgrade are to offer more flexible services to TEC's customers while improving the center's cash flow management.

The Business Challenge

The serviced and virtual office industry has become highly competitive in recent years with many new firms entering the market. TEC wanted to raise the bar for the industry and stay ahead of competition by providing its customers with an integrated voice and data service.

TEC's objective is to offer customers more flexibility and an enhanced experience when using its phone system, via value-added services such as centralized billing and consistent phone system services in different business centers. The traditional private branch exchange (PBX) system did not allow the company to move in that direction.

Low operating costs and strong cash flow were key considerations, hence TEC also required a total solution that would involve minimal initial cash outlay and provide immediate return on investment (ROI). The Cisco solution coupled with a leasing plan satisfied these requirements, and will give TEC a significant advantage over its competitors.

The Solution

The Cisco Unified Communications system implemented in TEC comprises the Cisco Unified CallManager, Cisco VG224 Analog Phone Gateway, Cisco Catalyst® 3560 Series Switches, Cisco IP Softphone and more than 500 Cisco Unified IP Phones, including the latest Cisco Unified IP Phone 7941G, 7961G and 7971G-GE models. In addition, TEC deployed the Cisco Unified Wireless Network comprised of Cisco Aironet 1100 Series Access Points and Cisco Wireless IP Phones.

TEC also selected a leasing option provided by Cisco Capital, a wholly-owned Cisco subsidiary since 1996, to finance this upgrade. Cisco Capital provides leasing options to enable customers to implement a Cisco solution quickly and easily, while protecting their network from technology obsolescence. Leasing also enables customers to convert the solution upfront cost into more manageable monthly payment streams to better manage cash flow.

“The Cisco routers and switches we implemented previously have given us substantial confidence in deploying Cisco solutions to build mission-critical voice and data systems. In addition, the expertise, resources and support for Cisco solutions are readily available in the market,” said Alan Seigrist, Group Director of The Executive Centre.

“On top of the opportunity to upgrade our services and cultivate a new income stream, the leasing option offered by Cisco Capital was an added incentive for TEC when deciding to deploy the Cisco Unified Communications system, as it kept our investment costs to a minimum,” elaborated Seigrist.

Benefits

Immediate ROI

ROI is immediate, thanks to Cisco Capital. The leasing option offers TEC flexible leasing structures and allows alignment between monthly revenues and expenses which include equipment cost, implementation and ongoing services. With minimal initial cash outlay, this in turn enables the company to better manage cash flow and other resources.

By the end of the leasing period, TEC can choose to renew the lease, upgrade the solutions, buy the equipment at its fair market value or return the equipment with no further obligation while Cisco Capital will help manage the ‘end-of-life’ process.

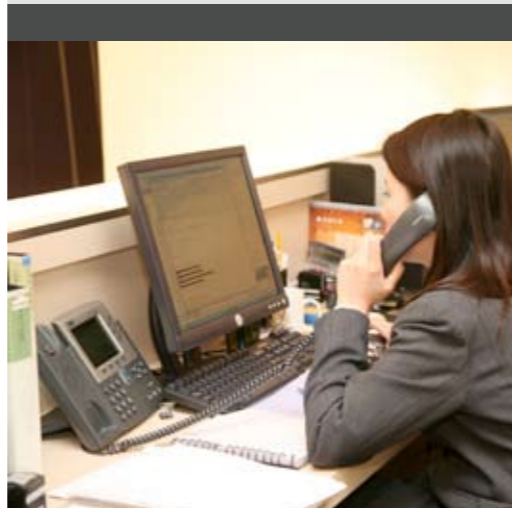
“Cisco Capital offers us a flexible leasing structure which has enabled us to deploy the solution in seven new locations in only 12 months. The Cisco Unified Communications system and the Cisco Unified Wireless Network form one of the best total solutions available in the market today,” said Seigrist.

New Differentiating Services and Revenue Streams

The Cisco solution enables TEC to generate new revenue streams by offering tenant customers differentiating services such as centralized billing, call pop-up, e-Voice, IP softphone and wireless telephony.

The system’s “pop-up screen” service informs the receptionist of the customer’s profile and availability status before callers are greeted, ensuring consistent customer service. TEC’s virtual office customers, who typically manage their business remotely, now enjoy productivity enhancements through the e-Voice service, which sends users voicemails in a .wav file directly to their e-mail accounts, reducing the time associated with checking voicemail over the phone. Customers can also effectively manage calls and messages over the Internet even when they are on-the-go.

Cisco Catalyst 3560 Series Switches



The innovative features enabled by Cisco solutions greatly enhance the service efficiency and quality of TEC.

“ Through the flexible leasing option provided by Cisco Capital, TEC can upgrade its networking facilities in order to keep ahead of the competition with minimal deployment cost.”

Mr. Alan Seigrist, Group Director of The Executive Centre



The new system also simplifies TEC’s accounting system. As more value-added services are provided, the firm can begin invoicing their customers on a “per service used” basis, while receiving single payments for all their customers’ communication services. This reduces the administration burden for TEC.

Fast, Cost-efficient Response to Market Changes

With the Cisco solution now in place, TEC can respond to rapid changes in technology and ever-changing customer needs in a timely manner. Also, the leasing facility offered by Cisco Capital means that deployment cost will not be a major issue as and when the time will come to upgrade the networking facilities in order to keep ahead of the competition.

Significant Cost Reduction

The Cisco IP-based communications system is expected to cut TEC’s voice network maintenance cost by 50%. According to Seigrist, both TEC and its customers will be able to save operating and IDD costs.

Consistent Services in Different Centers

As TEC continues to deploy the Cisco solutions in different

Asian cities, its customers are able to enjoy the same services and benefits throughout its different business centers in the region.

Within the same city, customers can enjoy even greater communications efficiency when moving from one location to another as there is no need for them to change phone number or forward the old number to the new one.

“This further reinforces our corporate strategy of having a consistency in our centers in Asia,” noted Seigrist. “Our customers rely on us to provide a consistent, first-rate infrastructure to support their businesses. This solution improves our customers’ productivity.”

Customer Satisfaction

Both overseas and local customers are impressed and satisfied with the Cisco solution in place. As many of TEC’s overseas customers are familiar with the Cisco brand, they look forward to using the reliable Cisco solutions in Hong Kong. Local customers are pleased to utilize the high-tech driven services enabled by Cisco technologies. The useful features of the IP phones in particular offer customers greater convenience and more efficient communications.