

# Rainbow ICT Services

## Cisco supplies telephony - core technology for an insurer - to P&V offices



“IP TELEPHONY FROM CISCO OFFERS A GOOD MANY ADVANTAGES. NOT ONLY DOES IT GIVE USERS GREAT MOBILITY – BUT NOW ALL COMMUNICATIONS BETWEEN THE AGENCIES RUN THROUGH THE INTERNAL NETWORK AND SO NO LONGER CREATE ADDITIONAL COSTS.”

Mark Scheers, Production Manager at Rainbow ICT Services

Rainbow ICT Services was established in 2001 by the insurance groups P&V and the Dexia daughter company DVV, together with several of its subsidiaries, including Actel Direct, Corona and Belstar. In June 2003, Swiss Life and Zelia also joined the organisation. The service provider, which operates from the centre of Brussels, supports some 100 staff members internally and another 3000 IT users externally.

Rainbow may be a provider of IT services, but you still cannot compare the company to other businesses that offer similar services. After all, Rainbow is an Economic Interest Grouping. This means that the organisation provides services only to members of the partnership, which are all active in the insurance sector. Also, due to its legal setup, Rainbow operates without profit or loss and without VAT constraints. Above all, members can invest in a solid ICT infrastructure together. They decide collectively on important investment projects, so that anything that does not belong to their core tasks is separated off, pooled and managed by Rainbow. In this way the partners share the costs of large investments, bringing about important advantages of scale.

One of these projects was implementing IP telephony and Voice-over-IP (VoIP). P&V took the initiative. “P&V wanted to be the first to start using VoIP because of a

### EXECUTIVE SUMMARY

#### Background

As an Economic Interest Grouping, Rainbow provides IT services to a number of large insurance companies, altogether for some 3000 users. Thanks to the collaboration, the insurers can invest in advanced ICT systems. For P&V, Rainbow installed an IP telephony system that will also be available to other members of the partnership in the future.

#### Challenge

P&V changed the role of its insurance agents: instead of receiving clients at the agency, the agents have to go out to meet them. So the offices are no longer reception rooms but operating bases for more mobile insurance agents. Moreover, the number of offices was reduced from 90 to 40, while the number of employees stayed the same. The new situation required a modification to the telephony infrastructure. Rainbow chose a central IP telephony system in which the telephone traffic has to go over SDSL – a technological first. The new system also has to allow for central management and simple but complete traffic analysis as well as guarantee sufficient functionality for users.

#### Solution

Rainbow installed, together with Telindus as integrator, a telephony infrastructure for P&V based on a Cisco CallManager. Currently 350 employees are using it: around 100 through a fixed Cisco telephone, the others through a Cisco IP SoftPhone and a headset. The CallManager has a capacity of 1000 users, so expansion is possible.

#### Results

The insurance agents now enjoy great mobility: they can log on to a telephone in any P&V office and take their personal calls. And because the communication between the agencies runs internally, this no longer means additional costs. The centralisation resulted in the telephone traffic doubling in volume and Rainbow was able to negotiate more favourable tariffs with the operator. The management of the infrastructure is simpler and the network technicians are now also responsible for the telephony. Moreover, in the future P&V would like to run small applications on the IP telephones.

change in its distribution channel,” says Johan Dekens, general manager of Rainbow. “You see, P&V doesn’t work with brokers but through its own agencies. Previously the company had some 90 of these throughout Belgium but it wanted to reduce that number. The aim was to change the role of the employees – they

had to go out to the clients rather than receiving them at the office.”

As a result, the offices were given other functions. Whereas before they served as a customer reception, now they are geared up to be the logistic base for agents who are out on the road. The 90 agencies of

the olden days have been transformed into 40 operating bases, without reducing the number of staff employed. This also required investment in a new ICT infrastructure: cabling, hardware and particularly telephony.

Mark Scheers, who was responsible for this project among others, outlines the situation: “Previously all 90 of P&V’s agencies had their own little telephone switchboard for around five users. Not only were the switchboards outdated, but they were also inadequate for the newly required capacity of over ten users per office.”

#### **Technological first: IP telephony over SDSL**

Rainbow and P&V considered various solutions for their modernised telephony system. Either they could install 40 small telephone switchboards, or they could get a hybrid system with IP cards in a traditional telephone network, or they could go for a central IP telephony system. They decided on the last option, also because Rainbow had already previously installed a star-shaped SDSL network for the offices of DVV and P&V. So the IP telephony traffic had to go over SDSL – a technological first. Moreover, the new system had to be manageable centrally, allow for relatively simple but complete traffic analysis and not restrict functionality for users.

The project started with a thorough analysis of the situation. During the summer holiday a proof of concept was installed. Afterwards, the final decision in favour of IP telephony was taken. Rainbow selected Cisco to be the technology supplier for this ambitious project. Telindus took care of the integration. In the first phase the IP telephony system had 350 users. Of these, about a hundred make calls with a fixed Cisco 7940 IP telephone set. The other employees were equipped with Cisco IP SoftPhone software and a headset. The central telephone server, Cisco’s CallManager, is located at Rainbow and is also managed by the service provider.



It is coupled internally to Rainbow’s traditional telephone switchboard for the connection to the public telephone network. The CallManager has a capacity of 1000 users, so there is considerable room for increasing the number of users. “From now on when existing switchboards within the group are due for replacement, we can always link the offices to the CallManager,” according to Johan Dekens.

#### **Favourable telephone tariffs thanks to centralisation**

“When we decided to install a new telephone system, Cisco was the only one that offered real, open IP telephony – all the other suppliers just had hybrid systems,” says Mark Scheers. “Cisco’s technology offers lots of advantages. It gives people who are on the move great mobility – they can drop into any office and log on to a telephone set with their ID. The calls for that number then come in direct to that set. This is also handy because staff members often change their geographical location.”

All of P&V’s external telephone traffic now runs through Rainbow’s central junction. This centralisation also meant that all the local outgoing calls were eliminated and Rainbow could negotiate much more favourable tariffs with the operator.

“Since the network for speech traffic is now the same as that for data, its management is also simpler,” says Mark Scheers. “This means a great advantage for increasing our competence level because our network team can now also take responsibility for the telephony. Previously we needed people with a different professional skill for this. Standard maintenance – such as installing telephones, activating voicemail and the like – we do completely by ourselves. In addition, we have a maintenance contract for the hardware with Telindus.”

The 40 offices of P&V also take advantage of the direct access to Proximus via a 2-megabit VPN (virtual private network). The traffic from fixed lines to mobile numbers and vice versa travels through 30 lines that do not pass through the public telephone network. Thanks to the elimination of the usual interconnection costs, calls between mobile phones and fixed sets are much cheaper. Soon Swiss Life will also be linked to the VPN network.





In the future P&V would like to run small applications on the IP telephones, which are in fact “a sort of mini-PC”, according to Mark Scheers. In fact, IP telephones offer a much larger range of options than traditional sets. Rainbow is also considering investing in a wireless network combined with IP telephony for the future. Then everyone would get a wireless IP telephone to work even more flexibly. Ideally, mobile phones and IP telephones should be combined in one set.

#### **A stable, open and future-oriented system**

“Given the complexities, we had to deal with some teething troubles in the first few months but that is simply a risk of pioneering projects,” says Johan Dekens looking back. “The advantage on the other hand was that we could quickly enjoy cost savings thanks to this implementation. Cisco and integrator Telindus have always responded properly and shown that together they can take on such a project. The initial problems are already months behind us and now we have a completely stable environment with satisfied users and the old infrastructure completely replaced. We ourselves are also happy with this solution, which meets our requirements. Despite the problems at the beginning, this was a very good decision. We now have an open, future-oriented system. And that is important because telephony belongs to an insurance company’s core technology, so we can’t take any risks in this area,” concludes Johan Dekens.



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