



## CASE STUDY: Capital Auto Auction



# Multi-location Customer Gains Savings and New Capabilities with XO® SIP Solution

## Summary

### Customer

- Capital Auto Auction, a multi-location business headquartered in Washington, D.C. and operations in Philadelphia, PA and Manchester, NH

### Business Challenge

- Replace obsolete phone system
- Reduce costs
- Efficiently connect all business locations

### Solution

- XO SIP Service, an award-winning converged VoIP solution
- Panasonic IP-PBX (model KX-TDE200 Version 3.007)

### Results

- Monthly savings
- New features and enhancements
- Smooth installation
- Seamless transition for end users Competitive pricing Dependability

Capital Auto Auction ([www.capitalautoauction.com](http://www.capitalautoauction.com)), the official auction company for the Salvation Army, Red Cross and Goodwill Industries, holds weekly public car auctions in its 64,000 square foot building in downtown Washington, DC. Capital Auto Auction also has two other locations – in Philadelphia, PA and Manchester, NH – and is part of a diversified corporation that owns several other businesses, including an online bookstore, a transportation company that works with charities to pick up donated cars, and a restaurant.

## The Challenge

Capital Auto Auction needed to replace a 23-year-old phone system that was at the end of its life span. In addition, each of its businesses used disparate service providers for voice and Internet services. Capital Auto Auction was considering several different solutions, but one of their key criteria was the ease of transition for their employees. During a typical Saturday afternoon auction, the business sells over 300 cars and trucks at the DC location alone, requiring employees to respond quickly and not to be restrained by the intricacies of a new phone system.

Clear Communication, an XO Communications and Panasonic® Business Partner, has served Capital Auto Auction since the auction business first opened its doors in 1989. Clear Communication saw the opportunity for XO SIP solution combined with a new Panasonic IP-PBX and phone system. The combination was the most practical and appropriate solution for the customer's applications and business needs. The fact that Panasonic and XO had already invested time ensuring interoperability between XO SIP and the Panasonic IP-PBX and could provide documentation of their efforts was another key factor in the decision.

## The Solution

XO SIP with 3.0 Mbps Dedicated Internet Access, connecting all customer's locations on the same platform.

XO SIP is an award-winning converged VoIP solution that allows customers to capitalize on their investment in data and voice communications and maximize the performance of their IP-PBX. SIP, or Session Initiation Protocol, is a next-generation IP communications standard that provides IP-PBX customers direct access to the XO nationwide network for data and voice communications. SIP eliminates the costs associated with the purchase, support and maintenance of media gateways while reducing the recurring costs of separate Public Switched Telephone Network and data circuits.

XO's certification of many of the most widely deployed IP-PBX platforms assures seamless interoperability and greater ease of installation with XO SIP. Awarded 2007 Product of the Year honors by INTERNET TELEPHONY Magazine, XO SIP offers unlimited local calling and unlimited site-to-site calling between customers' business

locations. It's completely scalable with access options ranging from 1.5 to 45 Mbps. Compatible with leading IP-PBX systems, XO SIP offers standard and optional capabilities and features, including dynamic bandwidth allocation, voice compression, virtual Direct Inward Dialing, and Automatic Call Routing for business continuity.

## The Results

### Monthly Savings

The value of XO SIP made the XO solution extremely attractive to Capital Auto Auction. The customer initially did not plan to spend as much money on replacing the phone system, but when Clear Communication demonstrated the considerable savings on monthly service charges with XO SIP, "it was a no-brainer – the customer decided to go with the more expensive hardware," said Brett Fischer, President, Clear Communication. Prior to switching to XO SIP, Capital Auto Auction and its sister companies spent a total of about \$2,500 per month on their phone service with multiple providers. After switching to XO SIP, their monthly voice and data costs decreased by 65 percent. The monthly savings alone will pay for the price difference between a traditional TDM PBX and the Panasonic IP-PBX in about 10 months. Moreover, the entire cost of the top-notch new IP-PBX system that may last for two decades or longer will be paid for by the monthly bill savings in about two years.

### New Features and Enhancements

The solution connected all four companies into one switch and brought multiple new, productivity-enhancing features and enhancements.

- One provider, one consolidated bill – all companies are now invoiced on the same bill (with an option to utilize account codes to track each company's expenses separately)
- Centralized intercom system
- Centralized voice mail (owner can now leave voice mails for all his managers)
- Ability to place calls on hold
- Paging groups/incoming call groups that ring in multiple places
- No more lost business: When incoming calls overflow at the restaurant, they are automatically routed to Capital Auto Auction where the staff has been trained to answer them and take orders.

### Smooth Installation

Although this was one of the first times XO Communications sold the XO SIP solution in conjunction with a Panasonic system, the preparation work and installation went very smoothly. XO Communications and Panasonic teamed up on the pre-installation programming work, holding several conference calls with Panasonic representatives in Japan and New Jersey. The service cutover went off without a glitch, and in about 45 minutes the new system was up and working.

### Seamless Transition for End Users

The XO SIP service connected all four companies together using DID numbers. In addition, Clear Communication created different hunt groups for each company which allowed the organization to continue operating in a so-called "squared environment" to which the employees were accustomed for years (i.e. each SIP channel has its own number and can be placed in hunt groups and have a direct appearance on a telephone making calls easy to transfer) vs. pool environment. The organization continued operating as usual during the upgrade to the new IP phones, and no one had to

be re-trained on how to use the phone system. Fischer added that he also works with other SIP providers, but XO Communications has proven to be the most adept at SIP installations and offers a bandwidth-based pricing model which is more attractive to customers than other providers' pay-per-call-path pricing.

### About Clear Communication

For nearly three decades, Clear Communication has been a telecommunications consultant and hardware vendor serving small and medium-sized businesses. It has about 3,000 customers across the entire east coast. For 25 years, Clear Communication has been selling, installing and servicing Panasonic® phone systems.

### About XO Communications

XO Communications, a subsidiary of XO Holdings, Inc. (OTCBB: XOHO), is a leading nationwide provider of advanced broadband communications services and solutions for businesses, enterprises, government, carriers and service providers.

XO customers include more than half of the Fortune 500, in addition to leading cable companies, carriers, content providers and mobile network operators. Utilizing its unique combination of high-capacity nationwide and metro networks and broadband wireless capabilities, XO offers customers a broad range of managed voice, data and IP services with proven performance, scalability and value in more than 75 metropolitan markets across the United States.



For more information, visit [www.xo.com](http://www.xo.com) or call: 866.349.0134



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