



CASE STUDY: Southwestern Furniture



Executive Summary

Southwestern Furniture

- 17 retail furniture stores
- Based in Phoenix, Arizona

Business Challenge

- Centralize all voice, WAN and Internet access from the stores over one IP MPLS network
- Provide appropriate network services and bandwidth to meet the needs of the stores and the call center
- Consolidate telephony and network services under one vendor to reduce management overhead and increase operational efficiencies

Solution

- XO® IP Flex
- XO® IP Flex with VPN
- Dedicated Internet Access

Results

- Simplified vendor management, with one consolidated bill for voice and data services from XO
- Responsive, personalized support
- Higher network reliability with 10 Mbps connection to the data center and fewer outages based on stringent SLAs
- Highly secure access to mission-critical applications on the corporate WAN through VPN connections and access to the Internet with intelligent, pre-configured policies

Southwestern Furniture Centralizes Multi-Location Network Needs and Replaces Multiple Vendors' Services with XO® Converged VoIP and Data Solution

A furniture conglomerate with operations in North America, Central America, and Asia, Southwestern Furniture produces and sells a wide variety of home furniture, mattresses and accessories. Company holdings include a furniture manufacturing company, retail stores, and franchise stores.

For telephony and network services in its 17 wholly-owned stores in the United States, Southwestern Furniture was using eight different vendors. Then, following an extensive request for proposal process in 2009, the company chose XO Communications. The move consolidated telephone and network services under one vendor and has led to a higher level of network stability and capacity, superior support, and more efficient vendor management.

Challenge: Reduce Number of Vendors and Find Appropriate Mix of Network and Telephony Services for Each Location

In 2008, Southwestern Furniture had multiple vendors providing network and telephony services.

"I had eight different bills each month and dealing with monthly expenses was a huge challenge," says Rudy Bracamonte, Jr., vice president of Information Systems at Southwestern Furniture. "The long distance bill was enormous. When we encountered problems and needed support, some of our vendors only could handle us through call center operators. It was far from an ideal situation. We weren't getting enough buying power for the dollar."

Bracamonte contacted all of the vendors and asked each to submit a plan to address Southwestern Furniture's

network and telephony requirements in one integrated service package. Several vendors recommended that the company converge its voice and data network over an IP Multiprotocol Label Switching (MPLS) backbone to reduce capital and operational costs. Additionally, MPLS would provide end-to-end quality of service (QoS), rapid fault correction of link and node failure, and simplified configuration, management, and provisioning for highly scalable, differentiated, end-to-end IP-based services.

"One of the other reasons we decided to move to a MPLS backbone and seek enhanced network services was for greater control of WAN and Internet access by the stores," says Bracamonte. "We wanted all access to go through the corporate data center and we needed a big, centralized, secure connection for that traffic."



Solution: XO IP Flex, IP Flex with VPN & Dedicated Internet Access

After reviewing all of the vendor proposals, Bracamonte and his staff narrowed the competition down to three. Subsequently they found that only XO Communications was able to offer a complete solution to meet all of Southwestern Furniture's needs. Another deciding factor was the high level of personalized and timely service provided by XO Communications.

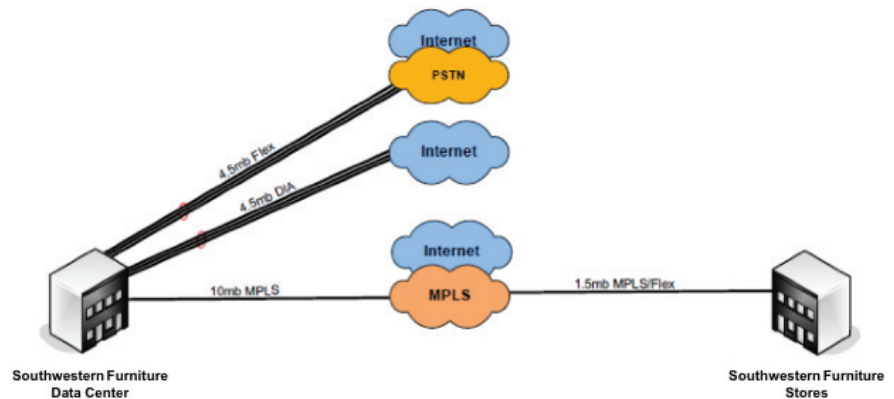
"XO offered to do what was necessary to meet our needs, even when those needs didn't fit into their standard service packages," says Bracamonte. "An example is that we needed a voicemail solution that XO did not offer. Yet they were able to customize their services to deliver the solution."

All services were deployed at the stores during 2009. The XO Communications network connects via a 10 Mbps connection to the Southwestern Furniture data center in Glendale, Arizona. From the data center, two 4.5 Mbps circuits—one for voice to the Public Switched Telephone Network (PSTN) and to secure data on the WAN, the other for access to the Internet—support the XO managed services to the stores, which each have 1.5 Mbps connections, as shown in **Figure 1**.

Southwestern Furniture chose these XO services:

- **XO IP Flex:** A converged voice over IP (VoIP) and data service. It includes local and long distance voice, Internet access, Web hosting, the XO Anywhere Package for unified communications, and business continuity features such as Automatic Call Routing. The service includes more than two dozen standard features, including unlimited local and

Figure 1. Southwestern Furniture Network Connectivity



intra-store calling, a toll free number, call forwarding, visual voicemail, voicemail, Direct Inward Dialing extensions (DIDs), Direct Outward Dialing (DOD), and inbound call routing.

- **XO IP Flex with VPN:** An integrated VoIP and wide area network solution which provides each store with a secure VPN connection to the data center that is delivered over the XO private IP MPLS backbone. Data is segregated from the public Internet for heightened security and privacy. Four different classes of service are available, which can be assigned to applications based on how mission-critical they are or whether they require specific attributes, such as low latency for video.
- **Dedicated Internet Access from XO** provides the stores and corporate office with high-speed Internet access via a Tier 1 IP network backbone. Bandwidth guarantees on XO's Multi-10 Gigabit Ethernet network backbone are designed to meet heavy data demands and reliability is backed by a 100% availability service level agreement (SLA).

Southwestern Furniture stores depend on access to applications in the data center for managing orders, checking inventory availability from manufacturers,

and use of Microsoft Exchange and Office product suites. With VPN connections to the company WAN over the XO private network, these applications are delivered securely and reliably. Routing intelligence resides in the XO network instead of in on-site customer premise equipment, which is deployed, configured, and managed by XO at each of the stores.

Internet access from the stores is enabled via the XO connection at the Southwestern Furniture data center, where strict policies govern all access. This service is also backed by a stringent 100% availability SLA, 24x7 live support, and continuous network monitoring.

Now telephone and voicemail services have been consolidated over the XO IP MPLS network, with many sophisticated unified communications features such as inter-company voicemail, call forwarding, and hunt groups. The VoIP service also connects the 46-seat central call center, whose specialists answer a wide variety of customer inquiries during business hours.

Results: Cost Benefits, Greater Efficiencies, and Room to Grow

“Since we centralized our services with XO Communications, we haven’t had the same number of outages and the overall reliability of our phone and network systems has gone up dramatically,” says Bracamonte. “The billing process is simpler and we’re saving money on a converged voice and data solution.”

The security cameras in the stores now run over the XO IP MPLS network, replacing an older generation of cameras that had separate, dedicated network connections. In the past, recordings were stored on disk or tape

for later viewing. Now, footage can be viewed remotely and in real-time. Other applications, such as Global Positioning System (GPS) tracking of delivery vehicles, are possible with the robust network services from XO Communications.

“We haven’t had any circuit issues since the network has been in place,” says Bracamonte. “Right now it’s the perfect fit for us. With the current mix of services and bandwidth, there’s plenty of room to grow. And we know that XO Communications can support us as we add more sophisticated and network-intensive applications in the future.”

“XO Communications was able to provide a great package of integrated services that brought all of our locations together under one vendor and has allowed me to manage them all from one login, with one representative available to handle any and all issues immediately.”

RUDY BRACAMONTE
Jr., Vice President of Information Systems
Southwestern Furniture

About XO Communications

XO Communications is a leading nationwide provider of advanced 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 85 metropolitan markets across the United States.



For more information, call your XO sales representative, visit www.xo.com or call: **866.349.0134**



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