CISCO SYSTEMS

MEDIALINK LEVERAGES CISCO IP TELEPHONY SOLUTION TO SUPPORT GROWTH, SIMPLIFY MANAGEMENT AND REDUCE COSTS

EXECUTIVE SUMMARY

CUSTOMER NAME

- Medialink Printing Services Pte Ltd

INDUSTRY

- Print

BUSINESS CHALLENGE

- Deploy IP telephony and consolidate network and telephony requirements to improve vendor support

NETWORK SOLUTION

- Cisco IP Telephony Solution

BUSINESS VALUE

- Recoup ROI within three years, with 40 percent savings on monthly telecommunications charges
- Improved customer service with reduced drop calls by 20 percent
- 50 percent improvement in the data communications rate with zero hardware defects or failure after the conversion to a 100-percent Cisco network
- Better understanding of utilization of telecommunications resources by employees

To become the region's premier one-stop printing company, Medialink consolidates its networks and telephony requirements onto Cisco solutions, thus benefiting from improved flexibility and easier administration.

BUSINESS CHALLENGE

Medialink Printing Services Pte Ltd was incorporated in 1990 as a subsidiary of KHL Printing. Today, it is leading the field as one of Singapore's premier printing companies known for its high production values and price competitiveness. The Company has

pioneered technology solutions in printing and was the first to introduce a computer-to-print (CTP) solution and the first to use computer virtual proofing (VP) – a fast and secure way of checking colour proofs on our secured website anytime, anywhere in the world.

Johnson Yau, Sales & Marketing Director, explained Medialink's vision. "We want to become the premier one-step printing firm in the region. We will achieve this by embracing new technology and developing quality services with the support of our dedicated staff and customers."

Medialink has been growing very quickly and doubled its headcount in 2004 to what is now a 100-strong company. Late last year, it moved to a new building to cater for this expansion and took the opportunity upgrade its aging PABX system to a brand new IP telephony solution.

The move was timely as Medialink had been facing several challenges with the previous arrangement. From a technical point of view, the PABX system was becoming obsolete and lacked even basic features such as voicemail and caller-ID. Secondly, Medialink had to deal with multiple vendors supporting its firewall, switches, routers and phone systems.

"We felt that the consolidation of our network equipment and standardization under one vendor could help defray maintenance and support costs. Coordinating among our four previous vendors had been difficult at best. Plus whenever we had a problem with our phones or we simply wanted to add a new line for a new staff, it would take several days for the vendor to show up and do it for us. And it cost us S$100.00 per visit," said Mr Yau.

"At the same time from a business point of view, our operating expenses have been increasing. We are growing and our network requirements were growing correspondingly. But we wanted to make sure that we were growing in the right direction, one that would improve efficiency and flexibility in communications within the Company."

NETWORK SOLUTION

Medialink found a willing and eager partner in QALA, a Cisco Premier Certified Partner, who had been its broadband service provider and network partner. Working together, Medialink and QALA identified the key requirements of the new solution.

"After all the problems we had managing multiple vendors, we wanted to consolidate and standardize our equipment as far as possible so that we could call on one vendor no matter what the problem was," said Mr Yau.

"To satisfy our management, we had to be able to demonstrate real savings and return on investment within a fixed period of time. As ours is pretty much a round-the-clock business, the implementation had to happen within schedule with minimum disruption to our operations. And of course, investment protection was a priority."

> **"We are saving about S$1,000 a month right now. Because our phones and data now travel on the same network, our overall communication costs are down by almost 40 percent. Additional savings are coming from reduced capital investment in maintaining an inventory of equipment and the ongoing expenses in hardware maintenance and programming."**
>
> - Johnson Yau, Sales & Marketing Director, Medialink Printing Services Pte Ltd

QALA proposed a Cisco IP Telephony and network solution comprising Cisco Unity, two units of Cisco 2650 Series Routers, Cisco Catalyst Switch, Cisco IP Phones (7970G, 7912, 7902), and one Cisco IP Communicator. While QALA installed 200 points throughout the new building, the first phase saw the introduction of 35 Cisco IP Phones for the executive staff working in the office. The implementation took two months and was completed by end of September 2004.

According to Willis Sim, Project Consultant, QALA, the Cisco IP Telephony Solution brings with it some key advantages that other solutions simply cannot match. "Cisco is the undisputed leader in networking technology and IP telephony. By consolidating Medialink's network and telephony systems under a single supplier – Cisco – we have removed any interoperability issues.

"Especially attractive to Medialink – given their past experience with vendors – are the self management features of the Cisco solution. The new solution allows in-house IT personnel to manage the network and telephony systems through a simple Web-based interface so the need for vendor support is reduced."

QALA is a leading edge, next-generation service provider strategically positioned to deliver a powerful suite of telecommunications and value-added solutions to Singapore businesses. Its mission is to provide customers with the complete experience of broadband access, next-generation applications and rich content services. As a Cisco Certified IP Communications Partner, it helped Medialink manage the project end-to-end, providing a variety of services including consultation, procurement, implementation, deployment management and final acceptance testing.

Mr Yau added, "We were very comfortable working with QALA. Now all our network requirements are being serviced by QALA. They help manage our network, provide our Internet access and even guarantee the Quality of Service (QoS) of our IP telephony solution. If there is any problem, they will provide a one-to-one swap of the faulty equipment within two hours."

BUSINESS VALUE

While the Cisco products was slightly more expensive, this was more the offset by the long term cost savings and the improved features and flexibility offered by the new IP telephony solution.

Recoup ROI within three years

The project cost Medialink about S$50,000. However, the Company is confident of recovering its investment within two to three years.

"We are saving about S$1,000 a month right now. Because our phones and data now travel on the same network, our overall communication costs are down by almost 40 percent. Additional savings are coming from reduced capital investment in maintaining an inventory of equipment and the ongoing expenses in hardware maintenance and programming," said Mr Yau.

Furthermore, Medialink can now enjoy affordable local and long distance rates with free calls between networked locations.

Improved reliability, scalability and management

Medialink has encountered no downtime since the system went live. "We have seen a 50 percent improvement in the data communications rate with zero hardware defects or failure after the conversion to a 100-percent Cisco network," said Mr Yau.

As each IP phone has an IP address, QALA can monitor potential problems from their office and take pre-emptive corrective actions when necessary, something that just was not possible with PABX.

Moves, adds and changes used to be a major hassle that required external vendor support with a corresponding cost. With Cisco IP Telephony in place, IP phones can be added as and when required. Since Medialink is expected to grow another 10 percent in staff strength this year, this will be a major benefit. Today, Mr Yau and the in-house IT team can do it themselves and add, delete or move phone extensions easily within a couple of minutes.

Taking customer service further

Call management has been improved since the introduction of the Cisco IP Telephony Solution. The call processing and routing is better structured leading to improved response rates and service level. The additional messaging features has improved communications with customers and reduced drop calls by 20 percent.

For the sales and business development team who are often on the road, IP telephony means that customers can reach them via their office number even when they are physically away from the office. "As I travel a lot, the Cisco IP Softphone makes is much easier for me to stay in touch. I can dial in from any cybercafé from anywhere and pay local calling rates," said Mr Yau.

Gaining internal efficiencies

The new Cisco solution has also resulted in improved productivity and efficiency among Medialink employees. Employees can now manage all their call features and communications needs with an easy-to-use Web-based call manager.

Phone tag has been eliminated as now all employees have a single phone number that can follow them wherever they may go. The corporate directory feature is especially popular among employees as it allows them easily contact another employee by scrolling through a list of names and numbers.

"With the tracking and management features provided by Cisco CallManager, we also have a much better picture of how our communications resources are being utilized by our employees," said Mr Yau. "Every month, QALA provides us with a single bill for local, long distance, high-speed Internet access, email and web hosting services, making it much easier to track our communications expernses."

NEXT STEPS

Medialink and its parent company, KHL Printing, are on a growth path. The Group already has offices in Singapore, Malaysia and China.

"Structured and controlled growth is critical for planning purposes and the successful implementation of offshore offices," said Mr Yau.

As more satellite offices are added across the region, the Cisco IP Telephony Solution will provide an easily expandable platform to connect up each new location affordably while retaining unparalleled management and control over the communications network.

"With the Cisco solution, the data communications pipeline can be increased without much effort and worries about interoperability are almost non-existent. This is one of the benefits of investing in a Cisco network," explained Mr Sim.

Medialink is also working with QALA to evaluate new applications such as CRM, video-over-IP, and the provision of news, airline flight information, LTA alert and taxi booking.

FOR MORE INFORMATION

To find out more about Cisco IP Communications solutions, go to: www.cisco.com/go/ipc
To find out more about Medialink Printing Services Pte Ltd, go to: www.medialink.com.sg

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