



## > NORTEL SMALL AND MEDIUM BUSINESS SOLUTIONS

NORTEL

### Solution Brief

#### Nortel Small-Business Bundle for Cable Operators

*Nortel provides access to a lucrative, growing market with a complete package of converged communications services for small and medium businesses.*

The role of the cable operator has continued to evolve, and the time has now arrived for the next step. Many cable operators — or multi-system operators — have opened the doors of small and medium businesses (SMBs) by providing them with broadband service. The time is now ripe to close those doors on the competition with the delivery of a full suite of services, including voice.

Certainly, that next step is a logical one. Your network is fiber rich and IP-based, and is therefore a perfect fit for voice over IP (VoIP). In some markets, MSOs already have gained a 20 to 30 percent share of residential voice. Why not replicate that success in the SMB market?

To do so, what you need is a partner ready to provide the services, products and support necessary to work with SMBs. You need a partner that will be with you from start to finish —

a partner with experience in telephony, expertise in the provisioning of converged networks and a track record of providing small and medium businesses with communications solutions designed to meet their particular demands.

Nortel is that partner. For almost 20 years, Nortel has provided communications solutions to more than 15 million small and medium business users around the world. Out of this experience has come an understanding

of the needs of these users and how to design solutions to meet those needs.

Today Nortel will partner with you to bring SMBs that full package. Leave the burden of identifying and acquiring new customers and the complexities of provisioning and managing the network to us. We'll deliver the Small-Business Bundle — a converged voice and data solution that also can be scaled to meet the requirements of larger enterprises — with your brand upon it.



**The opportunity:  
Consider this**

The fragmented SMB market has been underserved by carriers. They're looking for converged services, scaled to their requirements, attractively priced. SMBs aren't interested in installing and managing their own networks. They generally have little or no IT staff, and prefer it that way. They're looking for pre-packaged, easy-to-use, ready-to-roll solutions.

But these businesses don't want to be shortchanged on the quality of the services they deliver to their customers, clients, colleagues and employees. They want reliability. They want the latest-and-greatest. They want the communications profile of an enterprise. Just like those larger businesses, SMBs are trending toward converged, VoIP solutions.

And that's good news for you as an MSO. Adding voice to the service you provide an SMB can expand your sources of revenue and significantly increase your average revenue per user (ARPU).

**The answer: You choose**

Nortel is offering a modular, five-pillar approach to providing SMBs with voice and data:

- *We'll sell the solution for you:* Our Sales Center team will make sales calls on your behalf. We'll also provide site surveys and SMB solution consulting.
- *We have a broad portfolio of products:* Our portfolio of products features the Business Communications Manager, Business Ethernet Switch, IP phones, install kits and subscriber seats.
- *We'll provide the services that simplify the customer experience:* Your choice of implementation services includes warehousing, provisioning, configuration, install and turn-up, and training.
- *We'll host your solution for you:* We can provide hosting solutions for your VoIP switch, PSTN interconnect, origination/termination, local and long distance calling, business services and disaster recovery.
- *We'll be there to address any support concerns that arise:* Our support services include helpdesk, technical support, hardware repair, spares management and software patches.

You choose from among these pillars — choose the solution that's right for you — then leave the provisioning of that solution to us. We provide the services under your brand, and at a competitive price right off the bat. You enjoy the advantages of dealing with a single vendor.

In offering voice services, an MSO can capture incremental revenue without major investment in an infrastructure upgrade. Our solutions are scalable, and the transition is easy.

For your SMB customers, Nortel's Small-Business Bundle opportunity means...

- One bill, one carrier
- A consistent monthly fee
- Removing the headache of managing and maintaining distinct voice and data networks
- A fully-featured phone system, equal in quality to that of an enterprise

For you, this means...

- Increased ARPU on the same pipe: While today that broadband pipe is earning a steady monthly income, adding voice to it will bring a very significant increase in ARPU.
- Decreased customer churn: As opposed to month-to-month or annual broadband contracts, typical voice contracts are three to five years.
- Protecting your top line: MSO commercial business revenues in the U.S. for 2009 are projected to be over \$10 billion.

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| <p><b>Sales</b></p> <ul style="list-style-type: none"> <li>• Direct touch sales calling on behalf of MSO</li> <li>• Site survey</li> <li>• SMB solution</li> </ul> | <p><b>Product</b></p> <ul style="list-style-type: none"> <li>• BCM 50</li> <li>• BES - Business Ethernet Switch</li> <li>• IP Phones</li> <li>• Install kits</li> </ul> | <p><b>Installation</b></p> <ul style="list-style-type: none"> <li>• Warehouse</li> <li>• Provisioning</li> <li>• Configuration</li> <li>• Install and turn-up</li> </ul> | <p><b>Hosting</b></p> <ul style="list-style-type: none"> <li>• VoIP Switch</li> <li>• PSTN Interconnect</li> <li>• Origination / Term</li> <li>• Local and Long Distance</li> </ul> | <p><b>Support</b></p> <ul style="list-style-type: none"> <li>• Helpdesk</li> <li>• Technical Support</li> <li>• Hardware Repair</li> <li>• Spares Management</li> </ul> |

## The Small-Business Bundle: Your "Business Made Simple" solution

What the Nortel Small-Business Bundle will allow you to deliver to your SMB customers is a comprehensive communications solution made simple. They'll get best-in-class digital voice services with local and long distance service, delivered onsite, leveraging the award-winning, state-of-the-art Nortel Business Communications Manager (BCM) 50 IP PBX and IP phones. They'll receive 2-meg-up, 2-meg-down broadband — enhanced bandwidth as compared with what they're receiving from their current service provider. They'll also receive full-service support, including installation, helpdesk support, maintenance, even 4-hour onsite replacement and repair service.

Let Nortel take all the complexities of delivering the bundle to SMBs off your plate. You choose a combination from our five pillars, and gain services, products and partnership. We'll make the sales calls. We'll deliver operational efficiency and cost savings. We'll provide full project management, overseeing every aspect of both the five-pillar solution we offer to you and of the process of getting your SMB customers up and running with a bundled solution — a bundle that will bear your brand.

The product core of our Small-Business Bundle is the BCM 50 IP PBX, a voice and data communications system that delivers Nortel's reliable and proven voice-processing, feature-rich business telephony applications and data networking services over a single platform. The BCM comes pre-loaded with a scope of applications that includes voice messaging (200 hours of message storage and up to 1,000 voice mailboxes), unified messaging, custom call routing and multimedia contact center.

## The dividends

According to research conducted by Kagan Associates, U.S. MSO commercial services are projected to grow from \$3.1 billion in 2006 to \$10.7 billion in 2009. MSOs currently service 10 percent of U.S. SMBs, a number that is conservatively estimated to grow to 15 percent by 2009. This represents an increase of 593,000 new SMB customers, 501,000 of whom will be current ILEC customers.

Our installation and support services include training; provisioning; configuration; install and turn-up; helpdesk support; and repair, replacement and spares management services. By having Nortel Global Services manage your network deployment, you can significantly reduce integration and business risks while at the same time improving network performance and accelerating return on investment and time-to-revenue.

Nortel offers hosted solutions — in the form of VoIP switch, PSTN interconnectivity, inbound and outbound local and long distance service, business services and disaster recovery — allowing you to stay focused on your core business.

Nortel sales center services then offer some very attractive opportunities. Our sales approach is success driven. You only pay when an SMB customer signs a contract. Our sales center staff has achieved a 25 percent close ratio on targeted customers.

Sales center offerings include...

- **Qualification services:** An MSO database is used to validate contact details, identify decision-makers and determine qualifications for solution purchases.
- **Consulting services:** Our staff researches individual SMBs' business and communications requirements, then recommends new converged solution offerings and provides

end-to-end quoting and marketing and sales campaign development.

- **Site Surveys:** Sales staff collects all installation and provisioning information over the phone. Third-party installers then can pre-configure and install without on-site surveys.

## The provider: experience the Nortel advantage

Nortel products and services are at the heart of every one of the top 25 service provider networks in the world. We today enable secure connectivity to more than 100 million enterprise users the world over. Our unique services portfolio across carrier and enterprise networks allows us to leverage and incorporate innovations from one into the other. Our presence in small and medium businesses continues to escalate. And now our sales and marketing programs have been customized to deliver the most effective and profitable packages for each individual small and medium business scenario.

Your residential customers are already buying bundled voice services from broadband providers — it makes good sense that they should do the same for the businesses they operate.

Capture your share of the more than \$100 billion corporate telecom opportunity. To find out how Nortel can help you make this happen, contact [mhaile@nortel.com](mailto:mhaile@nortel.com).

## How Nortel can help acquire and turn up an SMB

### Sales Enablement

- Direct outsourced sales team working on behalf of MSO
- Bundle definition and market segmentation (vertical campaigns)
- Value proposition development and communication
- Marketing collateral development
- Site survey, readiness assessment

### Solution Implementation

- Project oversight and system design
- Order commitment
- Warehousing, provisioning
- Implementation/installation
- Acceptance testing
- Training

### Telephony Services

- Access to PSTN
- Local telephone numbers
- Unlimited local dial (inbound and outbound)
- Local Number Portability
- Domestic origination and termination
- Bundled North American long distance
- FCC-compliant E-911 service
- CALEA compliance

### Support

- Helpdesk, Network Operations Center
- Repair and return
- Managed services

Nortel is a recognized leader in delivering communications capabilities that enhance the human experience, ignite and power global commerce, and secure and protect the world's most critical information. Serving both service provider and enterprise customers, Nortel delivers innovative technology solutions encompassing end-to-end broadband, Voice over IP, multimedia services and applications, and wireless broadband designed to help people solve the world's greatest challenges. Nortel does business in more than 150 countries. For more information, visit Nortel on the Web at

**[www.nortel.com](http://www.nortel.com)**.

For more information, contact your Nortel representative, or call 1-800-4 NORTEL or 1-800-466-7835 from anywhere in North America.

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