Print

Approve Solution

For: Solution Example - For Client Demonstration Use Only

Identification

Solution Number: 11259
Type: Engineering
Vendor: AT&T
Account: Various
Template: Optimization - Reengineering
Client Reviewer:

Status: Approved
Date Submitted: 04/25/2016
Submitted By: Dever, Mark
Date Approved: 04/25/2016
Approved By: Dever, Mark

Site Code: 001
Name: "Client A" - Corporate HQ
Address: 9721 Ormsby Station Rd
Louisville, KY 40223

Savings

Monthly Savings:	$175,000.00
Taxes:	$0.00
Number of Months:	12
Recurring Savings:	$2,100,000.00
One Time Credit:	$0.00
One Time Charge:	$0.00
Net Savings:	$2,100,000.00

Solution

[Issue]

"Client A" wishes to upgrade their copper-based MPLS network with higher bandwidth utilizing Ethernet based fiber as the transport mechanism.

[Details]

Vince Havens, CIO, explained "Client A"'s need for increased bandwidth is in preparation for the next five years of growth. The legacy approach of copper facilities lends itself to a static bandwidth configuration which requires a “rip out and replace” approach to increasing bandwidth at a site. By evolving to an Ethernet based fiber service, "Client A" can merge the data and voice network over a single access facility and dynamically allocate that bandwidth as needed. This approach also enables future bandwidth increases to be implemented more easily without a “rip out and replace” approach. New fiber based networks are inherently more expensive than copper based networks. For this reason, OptiCOMM Network Engineers recommended pursuing a hosted voice solution that would replace the existing voice TDM infrastructure and use the savings generated to offset the cost of upgrading to fiber.

"Client A" has multiple site classifications with the majority being Small locations, but also larger sites and data centers with various network configurations. The Small locations are typically served with a T1 for access with a T1 MPLS port

connected for data needs and 10 local lines for voice calls. The larger sites range in bandwidth sizes from NxT1, DS3 to OC12 with various quantities of local lines.

In order to assist "Client A" with this objective, OptiCOMM initiated a Request for Information process as an educational process to understand the latest technology and offerings from AT&T, Verizon and Level 3. After the carriers presented their findings, OptiCOMM then managed a Request for Proposal (RFP) process with the same carriers with clear rules of engagement. After the initial RFP responses were delivered, Level 3 was removed from consideration due to the lack of a Hosted Voice solution.

OptiCOMM extensively reviewed the RFP responses from AT&T and Verizon and issued a Report of Findings to Client A, including a recommendation to proceed with AT&T. At the conclusion of this effort, AT&T won the award and OptiCOMM negotiated the network pricing, incentive credits and improved commercial terms related to business continuity, potential penalties and other items. These items included postalized access pricing, a “right sizing” of network bandwidth, hosted voice service with 5,000 concurrent call paths, over $1M in credit to off-set overlapping network costs and creative approaches to reducing the $10M commitment due to unforeseen circumstances.

"Client A" spends approximately $7.0M today on an annual basis. By implementing the OptiCOMM recommended AT&T network, the annual cost would become approximately $4.9M, a savings of $2.1M per year.
[Recommendation]

OptiCOMM recommends moving forward with the AT&T proposal to migrate the sites from copper.

Site Bandwidths

Items

Description	Savings	Info
Contract Savings	$175,000.00	

Comments

Save

Approve Solution

Reject Solution