



CUSTOMER SUCCESS STORY

INTEGRATED VOICE AND DATA SERVICES

TRINSIC USES CISCO BLISS T1 TO RETAIL ITS WHOLESALE SERVICES TO A BROADER SMB MARKET

The telecommunications boom of the late 1990s raised many expectations that could not be met in the end. Anticipating a rapid increase in the demand for network services, many carriers, including competitive local exchange carriers (CLECs) born as a result of industry deregulation, invested heavily in building network capacity. But when many Internet-based businesses began closing their doors, the wholesale services market suffered the impact.

However, Trinsic Communications, a quickly growing CLEC based in Tampa, Florida, and operating throughout the United States except Alaska, sees compelling opportunity quickly developing again in the wholesale market, but this time is addressing it with a unique and diversified business model. Trinsic has deployed Cisco® Broadband Local Integrated Services Solution T1 (BLISS T1), a packet-based framework for delivering integrated voice and data services to small- and medium-sized businesses (SMBs) at the retail level. Trinsic will use the back-office architecture of Cisco BLISS T1 in a wholesale manner to allow other service providers to offer similar retail-level services, thereby expanding their sales channels and increasing their return on investment (ROI).

“Trinsic has always been a ‘first mover’ in the retail CLEC arena. Now, through Cisco BLISS T1, we’re proud to take the lead in providing complete, converged communications packages to a diverse wholesale clientele with the guaranteed reliability, security, and performance of an end-to-end Cisco network,” says Gregg Smith, president, CEO and chairman of Trinsic.

Trinsic’s approach makes it the first service provider to use Cisco BLISS T1 wholesale services to retail partners, which could be other CLECs, interexchange carriers (IXCs), cable operators, ISPs, and, potentially, owners of multitenant and multidwelling units and similar entities. Because there are more than a million SMBs to target, Cisco BLISS T1 allows both Trinsic and its retail partners to profit by competitively pricing their services to this important but underserved market segment. Although the revenue-sharing arrangements need to be worked out between Trinsic and its retail partners, Cisco Systems® estimates that the system payback for either the wholesaler or its partners is, at most, less than three years.

TRINSIC: ROOTS IN RETAIL

Like so many other CLECs, Trinsic until now was using unbundled network elements from the regional Bell operating companies (RBOCs) to offer local phone service to customers. In combination with its long distance service, Trinsic local phone service came with popular custom-calling features such as call waiting, caller ID, etc. The voice service was further enhanced by Trinsic’s proprietary Personal Voice Assistant (PVA) technology. PVA gives customers a number of productivity tools such as Find Me, which allows calls on a business line to be forwarded to any three phone numbers, and Notify Me, which notifies users of voice-mail messages via e-mail, text-enabled cell phone, or pager. Other conveniences provided by PVA include letting users “dial” a number by simply saying the name of the party they wish to call and storing all contact information in a virtual address book accessible by phone or the Internet. For high-speed Internet access, Trinsic offers customers the choice of a T1 or DSL line.

“As a major point of differentiation, our proprietary PVA technology can be seamlessly integrated into the BLISS T1 architecture, allowing wholesale clients the ability to offer their customers a full complement of new, innovative features and services and allowing us to quickly add new world applications to the existing platform,” notes Smith.

This model of offering enhanced phone service over traditional phone lines and high-speed Internet access via a separate T1 or DSL connection has enabled Trinsic to become a nationwide service provider in a few short years. Its customers range from very small businesses needing as few as two phone lines to high-recognition companies, such as Circuit City and Foot Locker, which use several lines at each of their many locations. These large, multilocation retailers have taken advantage of Trinsic's nationwide footprint to get phone service from a single provider and the convenience of a single bill.

IP FOR COST SAVINGS

With its recent deployment of Cisco BLISS T1, Trinsic will be able to more economically offer phone service to a larger number of SMBs—typically needing anywhere from 5 to 25 lines. Trinsic will also bundle high-speed Internet service over the same T1 line used for voice because Cisco BLISS T1 uses the same protocol—IP—to deliver voice and data. In contrast to a time-division multiplexing (TDM) network, which requires separate and distinct network elements for voice and data delivery, a Cisco BLISS T1 network's simplicity translates into lower capital and operational expenditures.

“The ability to provide essential voice and data services over a single network is a tremendous boon for Trinsic. The reduced total cost of ownership associated with utilizing BLISS T1 is significant and our wholesale clients can benefit from these economics to provide value-added service bundles to their own customers,” says Smith.

As an end-to-end solution, Cisco BLISS T1 essentially consists of a few primary network elements: integrated access devices for customer premises, edge router for T1 aggregation, voice gateway for public switched telephone network (PSTN) connectivity, and a softswitch, which is the heart of the system. The softswitch provides the call-control intelligence for establishing, maintaining, routing, and terminating voice calls and is the interface to enhanced service and application platforms. This modularity of Cisco BLISS T1, with call control centralized in the softswitch, eliminates the expense of locating traditional Class 5 switches in multiple markets in relatively close proximity to customers to provide them phone service.

WHOLESALEING CISCO BLISS T1

Cisco BLISS T1's modular architecture also allows Trinsic to pursue with equal ease both a retail and a wholesale business model for voice over IP (VoIP) and data services. To offer these services requires placing an integrated access device (IAD) in a customer premises and connecting the device via a T1 line to an edge aggregation router in a point of presence (POP) at an RBOC colocation site, which typically would also include a voice gateway. From a centralized softswitch in Trinsic's data center in Tampa, Trinsic would provide the Class 5 features that SMBs want as well as the enhanced capabilities of PVA. The kind of agreement that Trinsic, as a wholesaler, might want to enter into with a retail partner depends upon the two sides agreeing on how much or how little responsibility either side is prepared to assume to deliver services to SMBs. In addition, Trinsic has architected its network to enable cable operators to offer Cisco BLISS T1 services to their residential customers. Here are three scenarios for a retail partnership:

- Full outsource—Trinsic takes care of everything to provide the retail partner's customers bundled local, long distance, and data services on a single bill.
- Shared operations—Trinsic integrates the partner's local telephony operations with its softswitch and/or manages the interconnection to the PSTN. In this model the partner owns and maintains the IADs and/or the voice gateways.
- Back-office only—Partner is responsible for all network investment, but takes advantage of Trinsic interconnection and/or back-office functions.

With its back-office expertise, Trinsic brings a substantial asset to any wholesaling agreement. As service providers know, back-office systems at times require more upfront capital investment than the network equipment for delivering a service. Trinsic has earned the confidence of partners by demonstrating an understanding of the regulations for voice services and through years of experience in wholesaling traditional local voice service to some of the biggest carriers. For example, Trinsic helped launch and support the first year of MCI's The Neighborhood, a package of unlimited local and long distance voice service that signed up more than 800,000 subscribers in the first four months. Currently, Trinsic is the provider of local phone service to customers of Sprint's Complete Sense, a package similar to The Neighborhood.

RETAIL OPPORTUNITIES

Because there are about 1.2 million SMBs needing five or more phone lines, a Trinsic retail partner has very real opportunities for offering these businesses a rich set of voice features with high-speed Internet access—from a single provider, with a single bill. Nor are partners constrained to offering a universal service; they can instead create different, competitively priced voice and data packages tailored to the needs of different SMBs. For example, at the low end they might offer six phone lines, 2000 long distance minutes, and up to 1 Mbps of data for customers with T1 access. A larger business might be offered as many as 24 phone lines, 6000 long distance minutes, and up to 3 Mbps of data over two T1 connections.

By working with an experienced service provider like Trinsic, partners can quickly establish or extend their footprint into a specific market, regionally or nationally. They will also gain the loyalty of customers who appreciate a service provider offering them the services they want at compelling prices.

“With our unparalleled coast-to-coast footprint, technological and regulatory expertise and extensive back-office system investment, Trinsic is the ideal partner for companies looking for wholesale communications services. No other service provider going can enable partners to roll out their own retail offerings as quickly or as widely,” says Smith.



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