

## NEC and Pacific Internet: Proving the business case for the IP promise

### PACIFIC INTERNET

To Pacific Internet, IP's bold claim of a high return on investment (ROI) was very attractive, but needed substantiating. If it bore out, IP could mean that one of Asia Pacific's most significant ISP players could dramatically reduce costs and raise the quality of service to its more than 50,000 customers. NEC Business Solutions' IP Telephony case was certainly the most compelling, so Dennis Muscat, PacNet's Australian MD, decided to put them to the test.

Pacific Internet quickly noticed that NEC was no stranger to IP Telephony, having begun researching the possibilities of converging voice and data streams into IP as long ago as 1977. This long-term understanding meant that NEC's IP solution was significantly more flexible than other providers and sought to build on existing infrastructure where possible, protecting legacy investment. So while maximising PacNet's current, non-IP infrastructure, the IP solution also delivered new features and benefits to justify investment.

These benefits began to bring immediate improvements to the operations of the company, and delivered real value-adds to everyone's daily working environment. For instance, IP Telephony meant that the branch offices could now enjoy features resident on the central PBX, as if they were directly connected to it.

Music-on-hold, telephone set displays, message lights and voicemail all sat on the one central PBX but benefited the whole network virtually.

In addition, PacNet had a clear objective to introduce a roaming and 'hot desking' culture to the company, and the arrival of IP functionality made this a reality. A Sydney-based worker in Melbourne for the day could expect to find their office extension profile completely replicated at their desk - as if they were back in Sydney. The value of this in terms of their efficiency is unmeasurable, but substantial.

Convinced by the realities of IP by the initial stages of installation from November 2001, PacNet began to roll out IP in Sydney parallel to its existing set-up in Melbourne to measure benefits.

**"PacNet realised that a migratory and pure IP solution was critical to our long-term business. NEC's IP solution was the first to deliver this flexibility," said Dennis Muscat, Managing Director, Pacific Internet.**

# case study

Increasingly convinced that the ROI boast was spot-on, the roll-out accelerated. NEC's IP solution quickly became the core plank of the ISP's new infrastructure, having proved itself comprehensively in a head-to-head contest with the original legacy network.

Migration is the key. There was no need for a 'big bang' upheaval. NEC had ample experience in gradually upgrading equipment from PSTN to IP even when the equipment was not compatible. For instance, the PBX in Melbourne was hardware from overseas and not at all IP-friendly. However, with more than 20 years in convergence technology, NEC overcame this obstacle comfortably. IP handsets are now rolled-out on an as-required basis by PacNet themselves, with all the other integration completed. The eventual plan is for PacNet to purchase bespoke software from NEC which would embed the handset functionality into the PC, dispensing with the need for handset hardware altogether.

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