

# ***Cbeyond's BeyondVoice™ with SIPconnect and Cisco***

**Ingate SIP Trunking Workshop  
2010 Internet Telephony Conference & EXPO East**



# Agenda

- **Introducing Cbeyond - Managed VoIP Service Provider**
- **BeyondVoice with SIPconnect**
- **Cisco**
- **Case Study Review**

# Cbeyond Business Overview

- **Managed Services Provider to Small Businesses**

- Integrated suite of applications and services delivered to ~48,000 small business customers in 13 major U.S. cities
- Small business market not adequately served by incumbents

- **Direct Selling Approach**

- Consultative selling built on culture of referrals
- ~55 direct sales reps per market
- Sales model resonates well with entrepreneurs

- **All IP Platform**

- IP network affords application flexibility and advanced features
- Lower cost structure relative to traditional networks
- Integration of wireline, mobile and IT services

- **Proven, Replicable Model**

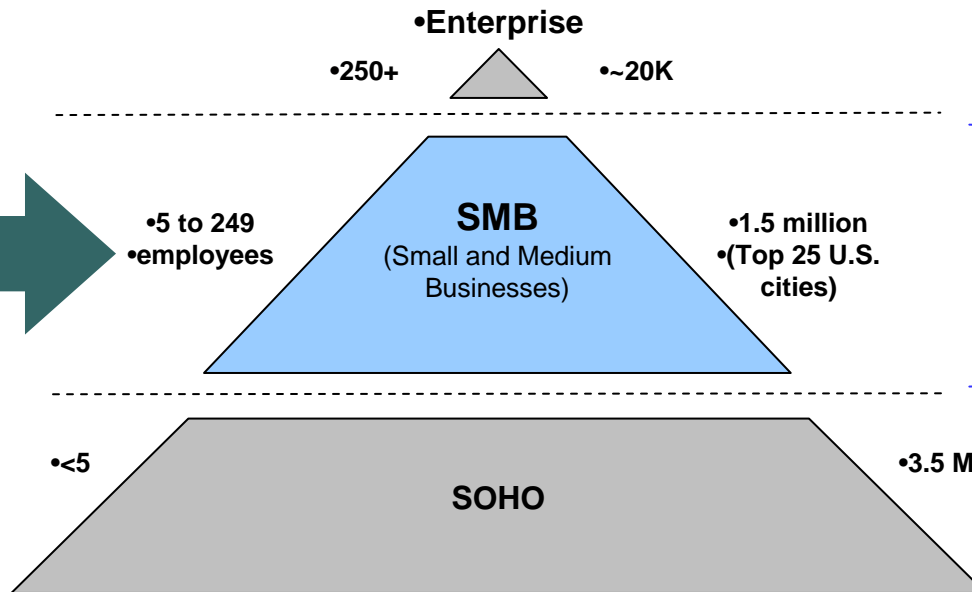
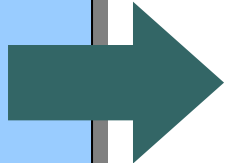
- Positive market-level operating cash flow typically within two years
- Positive free cash flow\* typically within three years
- Predictable revenue and margin growth with each market launched

**Cbeyond's mission is to deliver "big business" communications tools to small business at prices they can afford and we can deliver profitably.**

# Our Target Market – The Small Business Entrepreneur

**Cbeyond's Customer Profile**

- ~\$744 monthly ARPU
- 8 voice lines
- 12 employees
- 7.4 applications
- 3 year contract
- No telecom/IT dept.
- 70% previously used the ILEC for voice



## •Cbeyond's Approach to Sales & Marketing

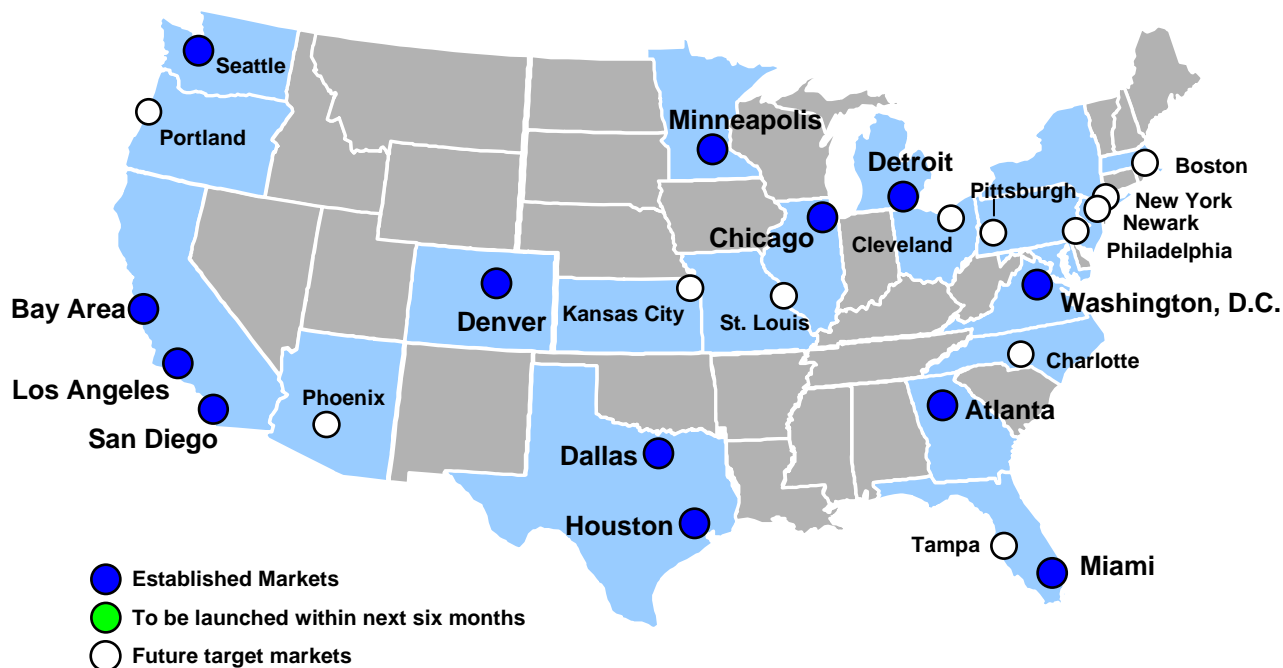
- Direct Sales Force: 80%
- Indirect Partners: 20%

- Regimented, consultative sales force
- ~55 sales reps per city
- Door to door prospecting
- Face to face, consultative selling
- Vertical marketing
- +30% of sales from referrals
- Community involvement

**Cbeyond serves entrepreneurs who value customer service and productivity enhancing applications over price.**

# Growing Nationwide Footprint

## Cbeyond's Current and Future Markets



- Cbeyond currently serves 13 markets
- Recent launches:
  - Q4-07 – SF/Bay Area
  - Q1-08 – Miami
  - Q2-08 – Minneapolis
  - Q1-09 – Washington, D.C.
  - Q4-09 – Seattle
- Scheduled launches in 2010:
  - Q2-10 – TBA
  - Q4-10 – TBA
- Cbeyond's first 13 markets cover 65% of the 1.5 million SMBs in the top 25 U.S. cities
- Cbeyond's marketshare is:
  - 13% in earliest four markets
  - 10% in earliest five markets

Top 25 markets in the U.S. have 1.5 million small businesses (5 to 249 employees).

# Managed Services – Core Offering

- End-to-end management and integration
- High level of customer service
- Bundled packages, competitively priced
- Connect with existing legacy key systems or next generation IP-PBXs (SIPconnect)
- CbeyondOnline for web-based account management

BeyondVoice	I	II	III
Target Market	4 to 30 employees	30 to 100 employees	100 to 200 employees
Monthly Price *	\$495	\$895	\$1,695
T-1 Circuits	1	2	3
Local Phone Lines	6	16	36
Domestic Long Distance and Mobile	1,500 minutes	3,000 minutes	9,000 minutes
Broadband Internet	1.5 Mbps	3.0 Mbps	4.5 Mbps

\* Pricing may vary depending upon contract length

Applications “Seeded” in Each Package	• 1 Single/Group Voicemail Box	• 5 GB Web Hosting	• 60 Conference Calling Minutes
	• Basic Email	• 2 GB Backup Storage	• 1 VPN Remote User Account
	• 1 Fax-to-Email Number	• 1 Toll Free Number	• 1 Secure Desktop Subscription
	• Caller ID with Number	• 1 <sup>st</sup> Yr. Domain Registration	• 60 Calling Card Minutes

Additional Lines and Minutes	• Additional Local Lines or Mobile Phones (additional 500 minutes per line)	\$40 per line
	• Mobile Data (Blackberry and LG supported)	\$40 per device
	• Long Distance and Mobile Overage	6¢ per minute

# Applications Drive Our Value Proposition

## Voice Services

- Local, Long Distance
- Calling Card
- Toll Free
- Scheduled Call Forwarding
- Directory Listing
- Collect/900

## Security

- VPN On-net
- VPN Off-net
- VPN Remote User
- Managed Firewall
- Virus Protection

## Mobility

- Mobile Devices (e.g. cell phones, BlackBerry, Moto Q)
- Mobile Laptop Card (EV-DO)
- Text Messaging
- Mobile Workforce Manager

## Messaging & Collaboration

- Hosted Microsoft Exchange
- SpamBlocker
- Integrated Voicemail
- Fax-to-Email
- Whalemail
- Conference Calling
- Unified Messaging

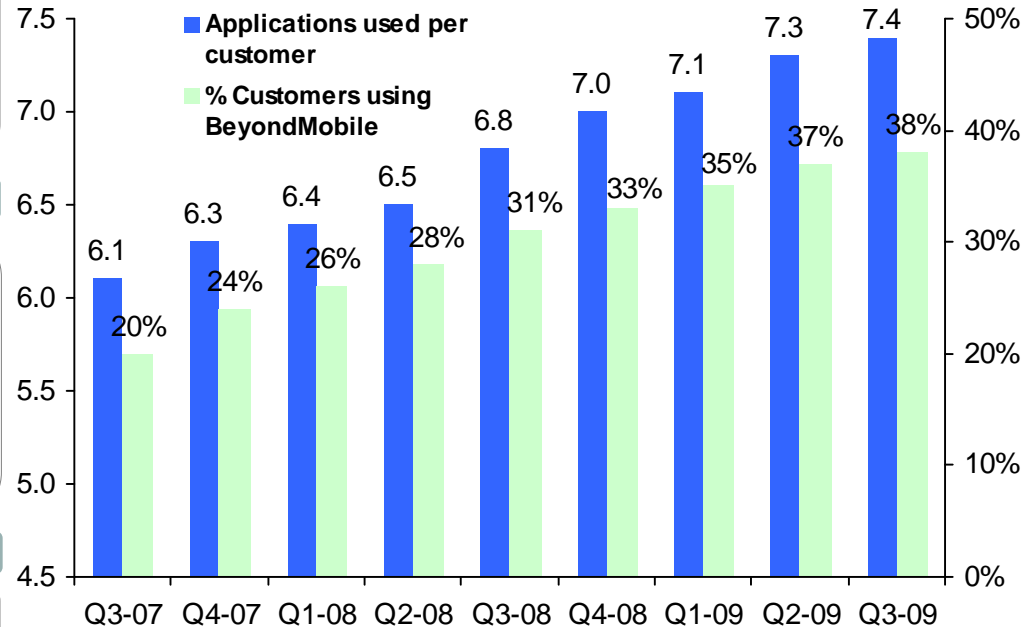
## Storage

- Web Hosting
- Secure Backup
- File Storage

## SIPconnect

- IP PBX SIP Trunking
- Personal Call Assistant

•Increasing application use per customer and BeyondMobile adoption



Achieved mobile penetration target of 38% at Q3-09.

# SIPconnect + PCA Local Features

- Clearly defined set of rules for connecting IP PBX to a carrier for SIP Trunking
- Launched by Cbeyond and now adopted into the SIP Forum as a working group.



- **Personal Call Assistant (PCA) Subscriptions**
  - 8 enhanced calling features for a DID



# Benefits of BeyondVoice with SIPconnect

- **Direct Inward Dial (DID) affordable for smaller companies**
- **Cloud based calling features, Personal Call Assistant**
- **Managed Network with QoS**
- **Analog Ports included**
- **Cost Savings**
- **“Future-proofing” your voice solutions**
- **Strategic Partnerships with IP PBX Manufacturers**

# Real Estate Firm Case Study

## • Challenges

- Aging key system, needs replacing
- Simultaneous upgrade of data network
- Required mobility of employees within the building
- Expedited deployment was needed and achieved

## • Solution

- Cisco IP Telephony Solution
- Cisco Call Manager Express (CME) including wireless IP Phones
- Cbeyond BeyondVoice with SIPconnect

## • Benefits

- Full Featured IP PBX - DIDs
- No expensive phone line interface cards – End to end SIP Trunking
- A single Converged LAN for voice and data
- Direct Inward Dial (DID) numbers
- Enhanced calling features in the Cbeyond cloud, Personal Call Assistant

# Freemantle Media Case Study

## • Challenges

- Aging PBX, needs replacing
- Simplify system management, increase productivity, reduce TCO
- Needed DIDs

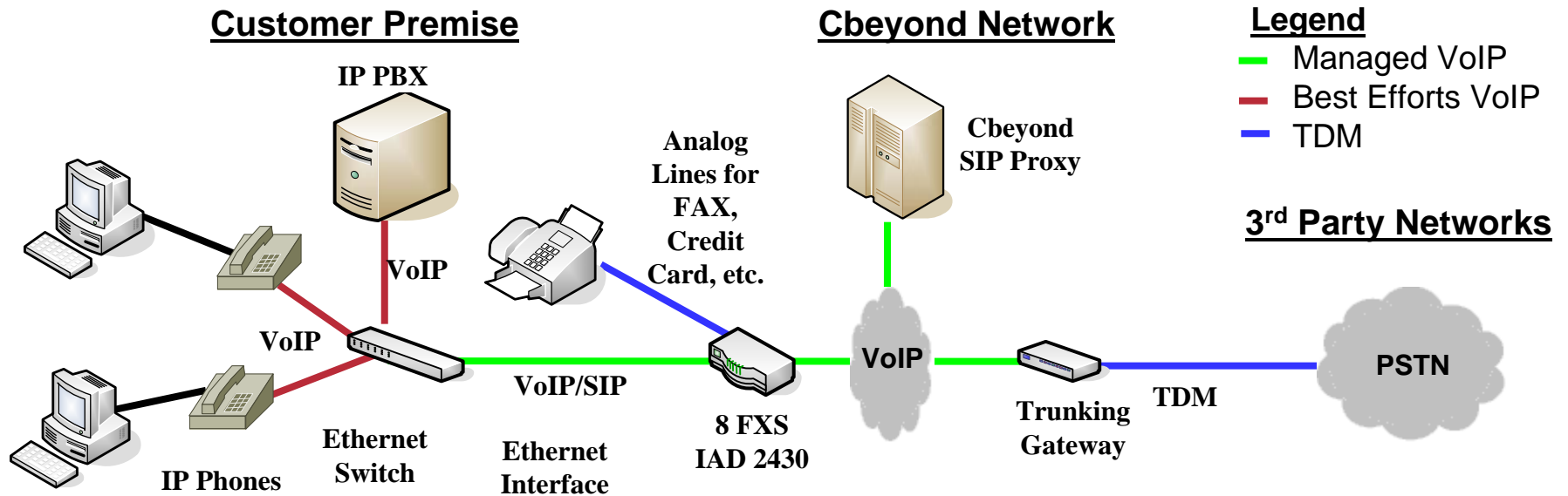
## • Solution

- Cisco IP Telephony Solution
- Cisco Call Manager Express (CME) including wireless IP Phones
- Cbeyond BeyondVoice with SIPconnect

## • Benefits

- Full Featured IP PBX
- No need to manage WAN connectivity for SIP trunking
- A single Converged LAN for voice and data – Facilitates mobility needs
- Direct Inward Dial (DID) numbers
- Enhanced calling features in the Cbeyond cloud, Personal Call Assistant

# BeyondVoice with SIPconnect



- Single Ethernet connection SIPconnect and Internet, No TDM gateway is required.
- Analog ports provided for fax, modem o, or analog devices
- Cisco IP PBX, LAN Switching, and Handsets

# Platform Partner Program

**CBEYOND**

PROGRAM NEWS & BLOG | CHANNEL PARTNER PROGRAM | CUSTOMER OFFER | ABOUT CBEYOND

**ABOUT THE PROGRAM**

**BENEFITS TO YOUR BUSINESS**

**PARTNERSHIP LEVELS**

**SIPconnect EXPLAINED**

**Cbeyond INTEROPERABILITY**

**CURRENT PLATFORM BUSINESS**

### Cbeyond PLATFORM PARTNER PROGRAM

The Platform Partner Program is designed exclusively for PBX and equipment manufacturers looking to develop a sustainable and scalable partnership with Cbeyond. By becoming a Platform Partner, manufacturers and Cbeyond will be aligned for planning and executing activities across many functional areas such as sales, marketing, interoperability, and support. Cbeyond and Platform Partners can deliver a more thorough, joint solution to prospects and customers through this strategic partnership.

**CERTIFIED PLATFORM PARTNER**

- Obtain Interoperability with Cbeyond
- Align Customer Support Teams
- Develop Sales & Marketing Roadmap
- Increase PBX and Equipment Sales

The Cbeyond Platform Partner Program allows Platform Partners to choose their level of involvement in working with Cbeyond. Cbeyond has organized this program into 3 partnership levels, from a standard interoperability relationship to a full business development partnership.

[Click here to learn the benefits of the program.](#)  
[Click here to download the program PDF.](#)

**APPLY NOW**



- Launched in Q4 2009
- Cbeyond and PBX manufacturers partner together
- Develop and deliver incentives and tools for resellers
- Promotional incentives to customers
- More confidence in the joint Cisco/Cbeyond VoIP solution

# Q & A

**Questions?**