

N.A. AUTOMOBILE RETAIL CHAIN

Testimonial

"Global Crossing developed a comprehensive one-stop solution that offers the advantages of outstanding network performance and cost-effectiveness. Global Crossing's emphasis on customer service and satisfaction also complements the customer's business philosophy, and was a critical component of our recommendation." - Spokesperson, Systems Integrator

Story

Major North American automobile company selects Global Crossing IP VPN Service™ to connect nationwide network of 46 retail dealerships. Customer worked with third-party systems integration firm to choose service provider solution and for service deployment.

Challenge

In an era when the Internet has become a threat to automotive retailers -- a tool for online car and truck shopping and price comparisons -- automobile retailers are increasingly looking for ways to streamline information exchange and back-office operations at local dealerships. In addition, they are looking for easier ways to disseminate key business information such as parts data, inventory, and sales and promotional information to multiple retailer locations.

The customer maintained a relatively common retail frame relay-based network infrastructure, with multiple point-to-point PVCs (permanent virtual circuits) linking to multiple hosting sites compounded with the added hassle of working with multiple vendors. The nationwide frame relay network was configured in a star-topology, with the retail sites connected via the corporate office acting as the hub location. Primary business applications require information-sharing among the multiple regional retailers.

As the automobile dealers found their networking needs expanding, challenges included connecting disparate retail sites, improved data transfer, and accuracy, overall network performance, simplified operations, and of course, reduced costs.

Requirements

Customer networking requirements included the following:

- **Extensive reach** - network capable of streamlining multi-site communications.
- **Reliability** - high-performance network with low latency and improved service availability.
- **Streamlined operations** - simplified operations, able to easily add or delete remote user elements -- all leading to lower network operational costs.
- **Capacity / scalability** - capable of supporting expanding networking needs -- whether adding locations or bandwidth.
- **Future proof** - capable of supporting future applications such as IP voice and video for videoconferences.
- **Customer service** - attentive to customer requests with one account manager to act as a single point of contact for any questions.
- **Improved economics** - all of the above leading to improved business efficiency and economic performance.

Solution

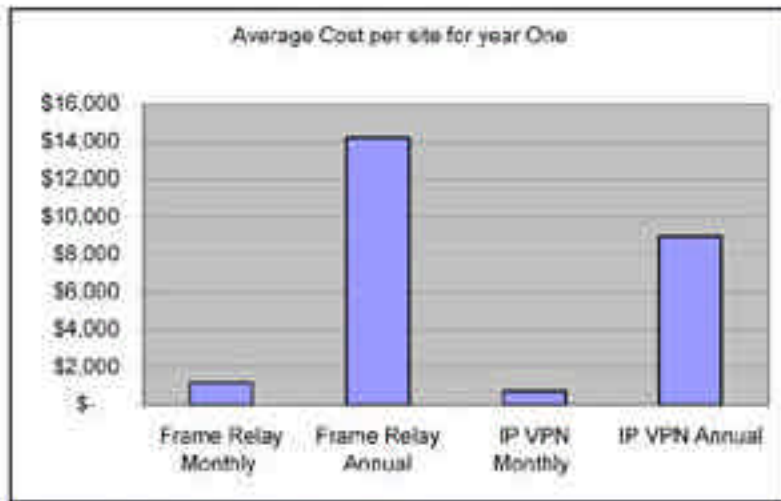
Recognizing these challenges, Global Crossing's dedicated account team designed a 46-site, network-based IP VPN service with Remote Access Service (RAS) to Hawaii. This fully meshed layer-3 IP VPN supports multiple CoS with QoS, secure Internet access (SIA) for remote sites, and sub T1 rates.

Result

By choosing Global Crossing's IP VPN Service, the customer realized greater network connectivity and reliability at a lower cost, streamlined operations with a network that is easy to monitor and maintain, improved network survivability (no single point of failure), and higher performance for latency and availability -- industry's highest standard at 99.99 percent.

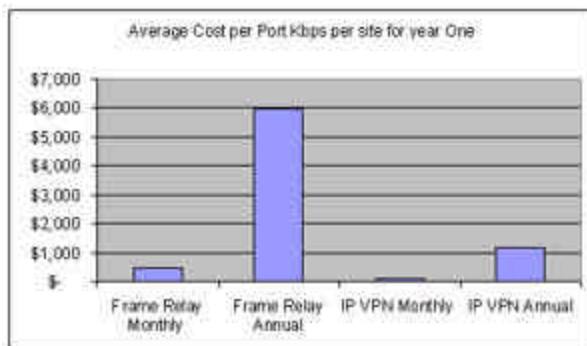
Global Crossing's IP VPN Service was able to address the automobile retail sites' immediate need for network continuity. Previous latency issues and session timeouts with key internal applications have been replaced by consistent performance and industry-leading SLAs supporting 99.99 percent availability. And previous multiple PVC charges for links to hub sites have been replaced with a scalable and cost-efficient framework that uses a few frame relay PVCs for VPN access and which has produced a 30 percent reduction in overall network manpower and maintenance costs.

The Yankee Group, a respected industry analyst firm, conducted a total cost of ownership study comparing the costs of operating the existing frame relay service to that of the Global Crossing IP VPN service. The results are, in summary, as follows:



Source: Yankee Group (April 2003)

- 37 percent average savings per site for year 1 (including IP VPN NRC)
- 40 percent average cost savings per site per for years 2 and 3.
- 3-year total savings: \$1.05 million
- 55 percent network personnel cost savings per month and year



Source: Yankee Group (April 2003)

- More bandwidth for the \$\$\$ => 80 percent less cost per Kbps of bandwidth with IP VPN service versus Frame Relay service

With 46 sites in its network, the automobile retail employees need access to substantial amounts of internal data as well as Internet access. With the help of Global Crossing's IP VPN Service, the retail sites are able to lift capacity-hogging Internet traffic off of the corporate infrastructure and onto the Global Crossing network. In a typical frame relay hub and spoke network, multiple sites and users connect to the Internet through a hub, devouring available capacity. Global Crossing's IP VPN service provides Internet access through an access PVC or dedicated Internet access (DIA), resulting in a more capacity efficient network architecture. The net affect is that the retail sites are able to keep 80 percent of its network traffic within the VPN, leaving 20 percent accessible locally.

The Global Crossing IP VPN Service is helping to change the way in which the automobile retail sites collaborate and share large amounts of data such as parts inventory, communications, promotions, etc., all of which will help the customer achieve its business objectives of increased business efficiency, higher customer satisfaction, and ultimately, improved financial performance.

Why Global Crossing?

The customer selected Global Crossing because of its focus on customer service and satisfaction. Other key criteria included the fact that Global Crossing's network-based solution allows the customer to focus on its core business while serving as the customer's one-stop-shop for voice, video and data services.

"We chose Global Crossing because they were willing to work with us on developing and implementing a plan. That's important. We are a customer-focused company. Global Crossing has never faltered in service or performance." - Customer, Director of IT