

SHORETEL SYSTEM KEEPS PACE WITH RETAILER DESIGN WITHIN REACH'S EXPANSION PLANS

As the modern furniture designer adds new retail locations, IP telephony proves to be the perfect solution to keep in step with the company's growth.



DESIGN
WITHIN
REACH

Challenge:

Fast-growing Design Within Reach was opening 20 new store locations a year. Thirty-five retail stores were already open, each using separate and expensive-to-maintain Nortel phone and voice mail systems. The furnishings retailer needed a less expensive and less complex alternative for phones and voice mail.

Solution:

Design Within Reach chose an IP telephony system that would be less expensive to deploy to the new sites and easier to maintain. After extensively comparing VoIP solutions, Design Within Reach chose the ShoreTel solution, based on ease of implementation, centralized management, and cost-effectiveness. The retailer is deploying the ShoreTel IP telephony solution to new stores first and will replacing its legacy phone systems with ShoreTel at all existing locations.

Benefits:

The retailer deployed the ShoreTel phone systems for less than half of what it would have cost to implement its old Nortel circuit-switched phones, and that is just taking into account hardware costs. Not only was the ShoreTel solution easy-to-install, but also it is easy to manage and maintain. End users praise the ShoreTel system's feature set and ease-of-use, and are particularly fond of the ease of four-digit dialing among offices.

Design Within Reach is a rising star in the retail world, catering to the underserved market of business and residential customers seeking stylish, well-designed furniture and accessories. In 2004, the company was growing at an exceptional 40 percent a year in terms of opening new store locations. Yet, as positive as that expansion was for the bottom line, it was tough on the IT department, which was tasked with managing 35 retail locations.

One of the IT group's biggest challenges was managing the phone systems. Each retail location had its own separate Nortel voice mail and phone system. Beyond the complexity of managing and supporting these disparate systems, the Nortel gear was expensive and difficult to deploy. With the retailer adding 20 new locations a year, the expense and complexity was rapidly becoming prohibitive.

Design Within Reach needed a cost-effective alternative to its existing phone system that would be centrally managed, easy to deploy and simple to maintain. Although Design Within Reach had shied away from VoIP when it was in its technology infancy, the retailer revisited the mature technology. After a successful pilot at one store, the retailer decided that IP telephony was its best option.

"We wanted a system built on today's technology," says Joe Martins, Director of Information Services for Design Within Reach, adding that most of today's IT professionals don't understand legacy gear, but can maintain IP telephony systems with relative ease.

COST-BENEFIT ANALYSIS

With a business case based on long-range cost and management, Design Within Reach began its search. Its plan was to deploy VoIP systems at new sites and migrate legacy phone systems to IP telephony over time. Design Within Reach wanted to centrally manage telecommunications so its help-desk team could support the phone system. Centralized voice mail was also crucial, because the company could eliminate the costs to maintain a separate voice mail system.

The retailer investigated phone systems from 3Com, Cisco, Nortel and ShoreTel. Design Within Reach judged the Nortel phones as expensive and



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complicated; such complexity meant keeping a Nortel technician on the line. Similarly, the company ruled out Cisco for its own cost and complexity, figuring that deploying that gear meant hiring two Cisco engineers.

Design Within Reach decided on the ShoreTel solution. Martins particularly liked ShoreTel’s elegant design and its straightforward fit with the company’s business needs. Design Within Reach was also impressed by ShoreTel’s singular focus on IP telephony and the maturity of its phone system.

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Martins adds that centralized voice mail and centralized management makes it easier for the IT staff to support so many geographically distributed locations.

The ShoreTel system promised significant cost savings by requiring no outside technical support and less wiring than the Nortel phone system. Design Within Reach put a lid on the escalating costs of long distance, with the toll bypass inherent in IP telephony. That cost-effectiveness combined with ShoreTel’s sleek, ergonomic design and capabilities like centralized, Web-based administration made the decision to deploy ShoreTel a solid one.

AN ELEGANT SOLUTION

Design Within Reach started its ShoreTel implementation in April 2005, and has been pleased with the speed and success of the rollout. The first site was operational in less than a day, says Martins. The company has deployed ShoreTel systems in 24 other sites, and plans to convert the entire organization to ShoreTel.

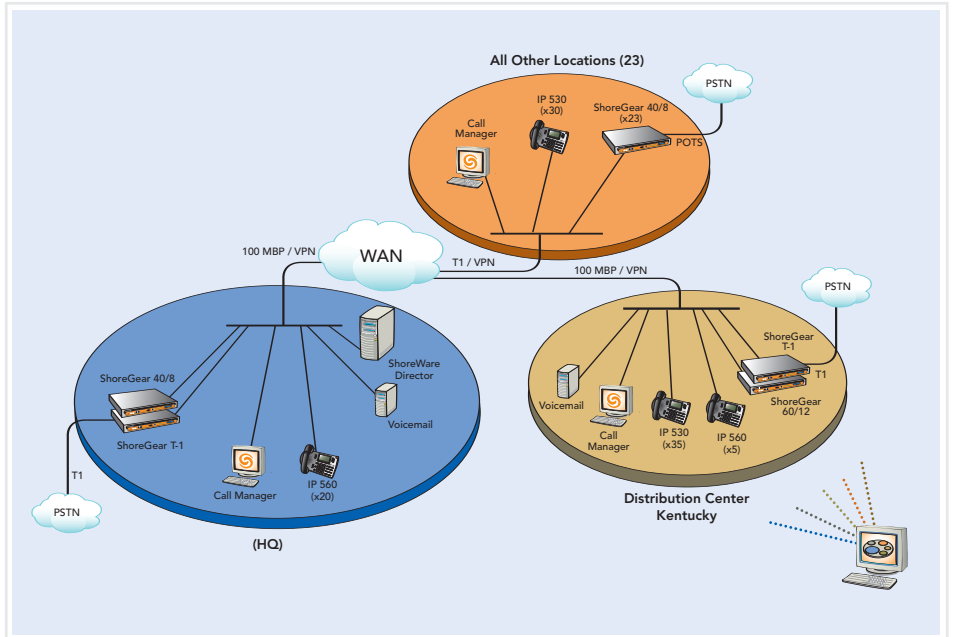
Because of the ability of the ShoreTel system to interface with legacy phone systems, Design Within Reach can deploy the new system at its own pace and not disrupt their business communications. This is a benefit of the ShoreTel system, and is a competitive advantage for the retailer. Design Within Reach is able to integrate ShoreTel with its Nortel legacy system and pass voicemail back and forth and transfer calls.

Even though Martins and his team had selected the ShoreTel system because of its ease of implementation, they were still pleasantly surprised by the clear-cut the deployment. After the first site was up and running, Design Within Reach handled all of the deployments itself, with no outside consulting help.

Design Within Reach installed ShoreTel ShoreGear 40/8 voice switches, which support 40 IP phones or eight analog ports, in each new location. The retailer also implemented a ShoreGear T1 in the corporate headquarters. It has about 85 ShoreTel IP 530 phones and 20 ShoreTel IP 560s. Workers use the ShoreTel Personal Call Manager for calls, access to voice mail, and to set up conference calls. Personal Call Manager is integrated with Microsoft Outlook for maximum convenience. Design Within Reach also has 10 mobile employees using the ShoreTel Softphone, so they can place calls on the road using their laptops and handhelds.



The ShoreTel gear costs less than half the price of the Nortel gear because of the savings in gear and set-up costs. Such savings really pays off when multiplied by the retailer's aggressive plans to open new studio locations. But the retailer is realizing many benefits beyond the dramatically lower implementation costs. Plus, Martins says the ShoreTel system is much easier to administer and requires no external help. He adds there are far fewer support calls.



Design Within Reach deployed ShoreTel to 25 locations with 135 users. Another 40 locations and 265 users will be added in the near future.

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Martins appreciates functionality in ShoreTel’s solution that wasn’t available in the company’s previous phone system. Design Within Reach can create greetings for each store to inform customers about sales and promotions. Four-digit dialing among locations is simple, saves money and time, and improves communications between individual stores and corporate headquarters. Also, traveling area managers can sign into a phone in another office, and all of their phone calls will follow them to that extension. They no longer miss phone calls when they’re on the road.

“The studios that don’t have the ShoreTel system can’t wait to get it,” Martins says.