

COMMUNICATIONS DAY

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NTG customers to hear BroadIP pitch

BroadIP has scored a significant win in the looming battle for small business VoIP market share, securing an exclusive agreement to provide IP voice and networking services to the customer base of National Telecoms Group.

Giving it access to more than 16,000 small to medium enterprise customers, BroadIP estimates the NTG deal will result in new network services contracts in the order of “tens of millions of dollars.” NTG is also reckoned to receive up to 60 service requests from larger corporate customers per month that BroadIP will now help it fulfill. Under the reseller model announced yesterday, NTG and its channel partners will provide customer leads and requests for network services to BroadIP, which will then design and quote on a total network solution combining voice and data. Each of NTG and its channel partners operates a lead-generating call centre and together they have a sales force of more than 200 in Sydney, Melbourne, Brisbane and Perth.

Broad Investments Chairman Vaz Hovanesian said the NTG agreement will establish the company’s BroadIP subsidiary “as a significant and serious VoIP provider, as well as a provider of network architecture for IP and IP-related activities.” He added, “this partnership creates the opportunity for BroadIP to increase its high margin SME and corporate revenue significantly at the same time reducing its average bandwidth costs for data and phone, as volumes increase. Based on the estimated value of NTG’s leads, we will now have the opportunity to quote on providing network services valued at tens of millions of dollars.”

NTG Managing Director Tony Hakim said the new arrangement would accelerate the transition of his customer base to IP networking platforms. “NTG will use BroadIP’s expertise to develop data strategies to move its existing voice only clients and new clients to a total IP-based voice and data network solution... We are a telephony sales and service organisation and until BroadIP pitched for our business, we had unsuccessfully been looking for a VoIP provider for several months that not only provided the best value, lowest cost solution for our clients but also the necessary quality of service and capabilities our customers want.”

Having only launched in the market about six weeks ago, BroadIP is positioning strongly in the market for small business VoIP services, an emerging competitive flashpoint with rivals such as ISPhone, ValueNet and iVox Communications all jostling for position. ISPhone in particular is strongly focusing on the potential of ISP and integrator resellers to shift its services into the SME market. According to Hovanesian though, the six-week old BroadIP is well placed to dominate, reckoning on having as many as 200 sales partners across the country by July. “What we have done here is not just sign up one but several large resellers who actually own and control their own client base and have almost a national presence. We could not afford to set up such a sales force and a ready source of leads and income without millions in additional investment. Our reseller strategy is now well ahead of target,” he said.

Tim Marshall