

SinglePoint Office TCO Study

SinglePoint Networks has developed the SinglePoint Office all in one IT solution for small businesses. The single server incorporates a full VoIP PBX, Email, Web, and File Servers, Thin Client application server, VPN access server, and a database server. The following study will show the SinglePoint solution in competition against a best of breed heterogeneous solution provided by major competitors in the IT space, the study is based on initial acquisition cost, ongoing support costs, and functionality provided.

To provide all of the functionality of the SinglePoint Office it is assumed for the basis of this study that you will need the following individual systems:

- PBX (VoIP or standard)
- File/Print Server
- Database Server
- Router with firewall and VPN capabilities
- DNS/DHCP Server
- Web/Email Server
- Workstation Computer for each employee

For the purposes of this study we will assume a company with 20 workstations/employees and a PRI with 2 fax lines.

To satisfy the above requirements we will provide the following:

- VoIP PBX provided by SwitchVox.
- File/Print Server provided by Dell with Windows 2003 Server.
- Database Server provided by Dell with Windows 2003 Server and SQL Server.
- Router provided by Cisco.
- DNS/DHCP Server provided by Dell with RedHat Enterprise Linux 4.
- Web/Email Server provided by Dell with Windows 2003 Server and Exchange Server.
- Workstations provided by Dell with Windows XP Professional.

SwitchVox PBX quote:

<u>Qty</u>	<u>Description</u>	<u>Cost</u>	<u>Ext Cost</u>
1	Dell PE1800 Server	\$4,561.00	\$4,561.00
1	SwitchVox Software	\$700.00	\$700.00
1	SwitchVox Support	\$199.00	\$199.00
20	Polycom IP-501 Phones	\$264.00	\$5,280.00
1	PRI Card	\$664.00	\$664.00
2	Analog Phone Lines	\$20.00/mo	\$40.00/mo
	Total:		\$11,444.00
	Annual Cost:		\$679.00

File/Print Server quote:

<u>Qty</u>	<u>Description</u>	<u>Cost</u>	<u>Ext Cost</u>
1	Dell PE1800 Server	\$5,867.00	\$5867.00
1	Support Contract	\$355.00/yr	\$355.00

Database Server quote:

<u>Qty</u>	<u>Description</u>	<u>Cost</u>	<u>Ext Cost</u>
1	Dell PE1800 Server	\$8,816.00	\$8,816.00
1	Support Contract	\$355.00/yr	\$355.00

Router Quote:

<u>Qty</u>	<u>Description</u>	<u>Cost</u>	<u>Ext Cost</u>
1	Cisco 2800 Series Router	\$3,500.00	\$3,500.00
1	Support Contract	\$750.00	\$750.00

DNS/DHCP Server quote:

<u>Qty</u>	<u>Description</u>	<u>Cost</u>	<u>Ext Cost</u>
1	Dell PE1800 Server	\$4,551.00	\$4,551.00
1	Support Contract	\$355.00/yr	\$355.00

Web/Email Server quote:

<u>Qty</u>	<u>Description</u>	<u>Cost</u>	<u>Ext Cost</u>
1	Dell PE1800 Server	\$5,860.00	\$5,860.00
1	Support Contract	\$355.00/yr	\$355.00

Workstation quote:

<u>Qty</u>	<u>Description</u>	<u>Cost</u>	<u>Ext Cost</u>
20	Dell Optiplex 170L	\$1,142.00	\$22,840.00
20	Support Contract	\$65.00	\$1300.00

Hardware Total:	\$63,628.00
Annual Support Total:	\$4,149.00
Installation Cost:	\$20,000.00

As you can see providing all of the above functionality to a small business can be an arduous and expensive task. The above total does not include setup and configuration costs which could easily be as high as the purchase price of the hardware. The business owner is left to hire consultants, or figure out all of the above systems and software themselves. This is a huge distraction for the business that the small business owner is actually trying to accomplish. The support contracts which cost almost \$4,200/yr only cover hardware and basic software tech support. If you have a large issue or

configuration request you will again have to hire a consultant at \$100+/hr. The SwitchVox support contract listed above only covers tech support on the software, all of the phone system hardware is only covered by a 1 year manufacturer warranty. After the 1 year is up, any hardware failures having to do with the phone system must be replaced out of the business owner's pocket. It is the business owner's responsibility to maintain and manage all of these service contracts, with at least 5 different companies (Dell, Microsoft, Polycom, SwitchVox, and Cisco).

SinglePoint Office quote:

Qty	Description	Cost	Ext Cost
1	SinglePoint Office Compact	\$25,000.00	\$25,000.00
20	Polycom IP-501 Phone	\$250.00	\$5,000.00
20	HP ThinClient Workstation	\$250.00	\$5,000.00
20	17" Flat Panel Monitor	\$350.00	\$7,000.00
1	Support Contract	\$500.00/mo	\$500.00/mo

Hardware Total:	\$42,000.00
Annual Support Total:	\$6,000.00
Installation Total:	\$0.00 (Included)

As you can see the SinglePoint Office offers compelling value. In initial costs it is more than 30% less expensive. Included in the price of the SinglePoint Office is full on-site installation and training. Also the SinglePoint Networks Support Contract covers all hardware as well as software, and it covers full remote administration and maintenance of the system including software updates. The business owner has a single point of contact for all things regarding the network. The business does not need to have on-site employees who are trained in administering the system, or pay a consultant hundreds of dollars an hour. As changes are needed, simply call SinglePoint and they will add users, remove users, or make configuration changes to suit your needs. For an additional monthly charge SinglePoint Networks also offers security monitoring, hardware monitoring, and remote backup services. The SinglePoint Office Server is equipped with fully redundant hard drives and power supplies limiting downtime. However, with the hardware monitoring service, if any piece of hardware fails, SinglePoint will immediately be notified and can send out a replacement part without any intervention on the part of the business owner. Once the SinglePoint Office is installed and operating SinglePoint Networks becomes your IT department, with no need to call or deal with any other company.

<u>Upfront Costs</u>	<u>5 and 10 year TCO</u>	
	<u>5 year cost</u>	<u>10 year cost</u>
<u>SinglePoint Office:</u>		
\$42,000.00	\$72,000.00	\$102,000.00
<u>Heterogeneous Solution:</u>		
\$83,628.00	\$104,373.00*	\$125,118.00*

*These totals do not include any cost of consultants or employees for ongoing administration of the system, training costs for employees, or time lost due to employees working on the system. Because of this the actual cost of the heterogeneous solution will actually be higher than the cost listed.