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CaseStudy

VM Telecom Cuts Communications Costs up to 80% for Slovak Businesses

Dialogic IMG 1010 Integrated Media Gateway Enables Expansion of VoIP Services

⚠ CHALLENGES

By bringing "full-service" VoIP to Slovak businesses through its VIPTel subsidiary, VM Telecom found immediate success. VoIP can cut a business's total communications costs up to 80%, especially for large companies with many subsidiaries, and reduce its costs for internal calls by 100%. With success came growth and the need to purchase carrier-quality equipment, locally sold and supported, that would help VM Telecom grow its VIPTel business while controlling its own costs and using resources efficiently.

💡 SOLUTIONS

VM Telecom chose the Dialogic IMG 1010 Integrated Media Gateway to help fuel its growth in VoIP. Available locally through Dialogic's Value Added Distributor Bressner Technology, the IMG 1010 provided excellent price-performance with a small footprint that allowed a very efficient use of rack space. The IMG 1010 also scaled easily after a low initial investment, allowing VM Telecom to add licenses to enable more ports as demand increased. Strong adherence to open technical standards also smoothed interconnection to local and foreign operators, allowing increased business opportunities and continued success.

The Customer

VM Telecom (formerly VisionMedia) is a member of a Swiss-German consortium specializing in innovative technologies. For more than eight years, VM Telecom has been active in the international VoIP market, interconnecting the networks of telecommunications providers and trading telecommunications traffic. In 2002, VM Telecom was introduced into the Slovak market, and in 2007, it entered the end-user market. Since then, VM Telecom has been successfully offering full-value VoIP services to Slovak businesses as VIPTel voice services for only a fraction of the price charged by other telecommunication providers.

For more information, visit www.vmtele.com.

Business Challenges

As a member of a Swiss-German consortium specializing in innovative technologies, VM Telecom understands the value of Voice over IP (VoIP) and has developed a strategy that can make VoIP accessible and cost-effective for businesses worldwide.

For more than eight years, VM Telecom has been active in the international VoIP market where it began by interconnecting service provider networks and trading telecommunications traffic. In 2002, the company decided to enter the Slovak market, and then, recognizing a large growth opportunity, began to service the end-user market there under the VIPTel brand in 2007. Since then, VM Telecom has expanded its business rapidly and is now serving several hundred mid and small-sized businesses.

One reason for VM Telecom's success is that it understands how to provide VoIP effectively to the enterprise market in Slovakia. According to Eva Danillova, Chief Technology Officer at VM Telecom, "offer 'full value' VoIP service under the VIPTel brand, that is, we provide both the comprehensive support services and extremely high voice quality that businesses need. This allows us to deliver all the advantages of traditional voice service, but at a fraction of the price."

By targeting mid- and small-sized businesses, Danillova reports that VM Telecom

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"has been able to cut costs for some companies by as much as 80%." Along with geographical numbers and advanced CRM functions, VIPTel offers free calls within the VIPTel network, making the service extremely popular with companies that have many subsidiaries and a lot of internal telecommunications traffic because, as Danillova notes, "the cost of internal calls is reduced by 100%!"

Using Asterisk as a VoIP Platform

VM Telecom decided to use Asterisk as its platform in Slovakia because of its "low price and high modularity compared to other solutions," says Danillova. "We use Asterisk as our own company PBX, and our initial requirements for high availability and failover can be achieved easily with open-source tools at no additional cost.

"Asterisk's biggest advantage for us is that it is very easy to configure and has a good price-performance ratio, and many of our customers use it," continues Danillova. "We could also add new features with a software upgrade or module installation, which is a relatively simple process."

Interconnection Becomes an Issue

But as its VIPTel service began to grow, interconnection became an issue. "Obtaining properly certified open-source SS7 drivers that supported all the features we needed was not possible on the board we tried," recalls Danillova, "but our biggest problem was making an SS7 connection to an Asterisk PBX through an SS7 STP. We decided we needed to look at completely different options."

The Solution from Sangoma

VM Telecom began an intense search for an alternative solution and looked for SS7-capable device vendors with support available in Slovakia. "We ourselves do not use Asterisk-based solutions in production and in our core network," explains Danillova, "so we did not hesitate to look outside the open-source market for a high-density, modular, reliable device with good price-performance. After our search, we decided to get in touch directly with Dialogic, who, in turn, forwarded us to Bressner Technology as our local contact."

Interconnection Need Quickly Satisfied

Once VM Telecom was in touch with Bressner, the SS7 interconnection issues were quickly resolved with the Dialogic IMG 1010 Integrated Media Gateway. "The deployment of our IMG 1010 took two days," remembers Danillova, "and the presence of a trained technician from Bressner, who walked us through the initial setup of the device and helped us troubleshoot a few minor details, proved invaluable. We have had several small problems

during the testing phase, and Dialogic and Bressner responded quickly with very friendly support, which we greatly appreciate."

"The IMG 1010's main advantage is the availability of technical support in our area, as this has proven to be crucial for us in the past," says Danillova. "Another big advantage is support for all the technologies and features we need to interconnect with other carriers, which shows how strongly Dialogic adheres to standards. We also appreciated Dialogic's pricing model, which allowed us to invest at first in only a small subset of the ports we would eventually need, allowing us to scale up as needed by purchasing additional licenses to meet customer demand without making a large up-front investment."

The Results

As planned, VM Telecom is gradually scaling up its usage of the IMG 1010, and has already interconnected the device to two more carriers in the area. "Thanks to the scalable architecture of the system, we are easily adding ports and devices as we grow our network," explains Danillova, "and each time we successfully complete another interconnect, we are again impressed with Dialogic's adherence to standards. We expect to continue to interconnect with more local and foreign operators and increase the load on the IMG 1010, as each new connection provides us with additional business opportunities."

Although VM Telecom originally purchased an IMG 1010 for its price-performance, initial low investment cost, and standards adherence, Danillova mentions other benefits the company is enjoying as well. "One of these is the compact size of the IMG 1010, which has allowed us to consolidate rack space. The IMG's high density in a small footprint, compared to other solutions with a lower port density, allows us to save money on housing costs. We also expect to take advantage of many of the advanced features that are available to us with the IMG 1010, such as load-balancing and failover between multiple IMG devices, as we add more units to our growing network."

The Partner

Bressner Technology Prague — headquartered in Groebenzell near Munich, Germany — has been working in the telecommunications, computer telephony, and unified communications area for more than a decade. The Prague office was established in 2006, followed by an office in Wroclaw. Due to its expertise in telecom and IT infrastructure and its important role as official Dialogic Value Added Distributor, Bressner has a clear focus on network interconnection, provides local support, and consults with its partners on various international projects.

For more information, visit www.bressner.cz.

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