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Tom Cordell
President

The Good Side of Recession

Tom Cordell of Spectrum Communications Describes How New Technology and Innovative Programs Benefit Companies Even More During an Economic Downturn

SANTA FE/ALBUQUERQUE, NM – April 24, 2008 – Whether you think we're in a recession or not the fact of the matter is the economy has experienced a dramatic downturn. According to the International Monetary Fund (IMF), economic growth in the United States is expected to slow to a crawl of just 0.5% this year, which would mark the worst pace in 17 years. The United States won't fare much better next year either. The IMF projected the U.S. economy will grow by a feeble 0.6% in 2009.

With a recession comes a weeding out process in the business world. Those companies with the right people, making the right decisions, and implementing the right strategies will come out of the recession with flying colors while those that do the opposite will be a distant memory. With the advent of new communications technology and the gaining popularity of innovative programs with the sole purpose of increasing profitability and giving competitive advantage the impact of a recession will be significantly reduced for those businesses that adopt these solutions. As a result, they will have a higher probability of survival and eventual success.

One of the most basic business 101 concepts says – why pay cash for a depreciating asset. Just like driving a new car off the lot, the minute your business implements new technology it becomes outdated. Cash is king, especially during a recession so why would any organization dump thousands of dollars up front in owning technology. It just doesn't make sense. The method of buying technology on a lease agreement is not new; however, subtle changes have been made that eliminate technology's two greatest risks – obsolescence and price (also known as outright ownership). Spectrum Communications' Current Technology Assurance Plan (C-TAP) ensures that the communications environments are refreshed with the latest advancements and value added solutions, thereby eliminating technology's obsolescence. For instance, updates (also known as refresh) to a company's voice and data system can occur anytime after 24 months with no change in their monthly payment.

Furthermore, C-TAP focuses on the cost of technology rather than its price, thus eliminating the second risk. The cost is a known entity and customers on C-TAP never receive another invoice. Because of C-TAP, companies are able to transfer technology costs from a capital expense to a fixed monthly expense absorbed by an organization's operating budget. This enhances the financial health from both tax and budgeting standpoints.

Luckily, recent advancements in communications technology that have only scratched the surface in market penetration such as SIP Trunking will also help companies minimize the effects of a recession. Session Initiation Protocol (SIP) raises the bar of Voice over Internet Protocol (VoIP) communications by adding intelligence to business processes and providing companies with greater control over their communications. In simple terms, SIP supports any form of real-time communication regardless of whether the content is voice, video, instant messaging, or a collaboration application.

Many companies have made the transition to Voice over Internet Protocol (VoIP) based phone systems; however, most are only using it for communication on the LAN. In this scenario VoIP is only being used as a one-to-one replacement for traditional telephony. These businesses realize a sound return on investment by lowering administrative costs as well as costs associated with calls made within the company. SIP trunking, on the other hand, provides a greater return because it takes VoIP a step further. For instance, full potential for IP communications can be realized only when communication is taken outside of an organization's LAN. SIP trunks thus eliminate the need for local PSTN (Public Switched Telephone Network) gateways, costly BRIs (Basic Rate Interfaces) or PRIs (Primary Rate Interfaces). Furthermore, it directly operates with existing IP PBXs so there is no need for additional hardware.

A third area that will greatly benefit companies especially during recession is in managed network services. Essentially, managed services was designed to assist companies in maintaining and

supporting their network, IT infrastructure, and phone system. Types of services may include remote network monitoring and reporting 24 hours a day, 7 days a week, firewall monitoring, intrusion detection, patch assessment and vulnerability scanning, preventative tasks, disaster recovery, data backup and regular performance analysis.

Outsourcing the support of a company's network has a number of unique benefits. First and foremost, experts in the field analyze the network to develop a complete game plan. Modeling and simulation tools assess current network traffic and evaluate the performance of desired enhancements and upgrades to determine the most appropriate solution before implementation. The end result is a custom designed system that supports future growth and change through flexible and scalable network environments. Why pay one or more full time in-house IT professionals and all of the loaded costs that come with it when this function can be outsourced saving your business thousands of dollars each year?

A recession is a time where companies need to think about how to do business differently. It requires solid answers to a number of mission critical issues such as why own a depreciating asset, why utilize antiquated technology when new solutions can provide increased profits and a competitive advantage, and why manage something in-house when it has nothing to do with your core competency. The previously mentioned solutions provide an arsenal that will help attack the recession head on and in the end propel your company ahead of its competition.

ABOUT SPECTRUM COMMUNICATIONS

Founded in 1985, Spectrum Communications is a locally owned, full-service technology company servicing New Mexico with offices in Santa Fe (505) 474-4100 and Albuquerque (505) 888-6464. As technology marches on, digital voice and data networks have "converged" into integrated computer/telecommunications systems that offer many advantages versus traditional analog telephone systems. By employing these latest technological advances, businesses will help to ensure their success – improving their productivity and increasing their "bottom line". Spectrum Communications evaluates the communications needs of its customers/partners and implements customized state-of-the-art technology solutions. Through emerging technology we help our clients gain a competitive edge and increase their revenues.

To implement these solutions, Spectrum Communications employs staff who are licensed and certified and are experienced in the installation and repair of low-voltage cabling, traditional telephone and voice mail systems. Spectrum holds a New Mexico Contractor license and is insured and bonded. Spectrum is a Microsoft Partner and a certified dealer for ShoreTel (pure VOIP solutions), NEC (converged solutions) and Vodavi (traditional), offering communications systems that can accommodate large VoIP solutions with multiple sites. Customers are thoroughly trained in every component of their system by Spectrum Communications highly experienced customer service team.

The company's local dispatch center delivers round-the clock service to ensure system reliability. Spectrum Communications also offers comprehensive service 24 hours a day, 7 days a week and emergency service guaranteed within 2 hours.

For more information on Spectrum Communications, call (505) 474-4100 or visit www.spectrum-nm.com.