Akabis Open Cloud Launch and Product Description

Akabis.com

Table of Contents

1 Akabis

Akabis is a wholesale only White Label SIP services provider. Headquartered in Melbourne Florida, Akabis serves the Unified Communications wholesale market with best in class SIP services ranging from SIP trunking, Akabis Open Cloud, Mobility and Collaboration. Our focus is uniquely focused on making our partners wildly successful in the launch of hosted services in the new subscription economy.

2   Overview

This product description (PD) provides the framework for your organization's launch of a Akabis Open Cloud product. Akabis Open Cloud is a cloud-based solution delivering phone system and unified communications (UC) features on a per user basis. All of the phone system "intelligence" resides in the Akabis network, in a shared application server that can support many customers. It moves the phone system buying decision from a "cap-ex" model (purchasing and maintaining a PBX) to an "op-ex" model (paying a monthly service charge on a per phone basis).

The flexibility of a product like Akabis Open Cloud enables it to be sold to a variety of businesses – from small to large enterprises. However, one of the more attractive segments is the small business with 100 employees or fewer. This segment typically does not have much or any dedicated IT support, making the management of a cloud-based solution particularly attractive. Many SMBs are also on older systems that have limited functionality; moving to Akabis Open Cloud can result in productivity improvements and cost savings.

The remaining sections of this document address the following areas:

- The market opportunity for Akabis Open Cloud
- A description of how the product will be packaged, priced and brought to market
- The framework for operationalizing Akabis Open Cloud including how the product will be sold, provisioned, installed, and supported
- Financials and marketing implementation

3   Akabis Open Cloud Market Opportunity

Research of the business market for IP Communications shows continued adoption for the product across all types and sizes of businesses. In particular, smaller companies (generally below 25 employees) have adopted IP Communications products at roughly half the rate of their larger cohorts, creating an attractive addressable market. There are a number of reasons for the low adoption rates:

- Smaller companies have little or no Information Technology (IT) resources to assist in the planning and implementation of technology purchases

- Without this support, smaller companies are resistant to new technologies and tend not to be early adopters of what they view as cutting edge products

- Many service provider offers have complex pricing structures and too many options for selecting features resulting in inefficient sales processes that confuse prospects and feed their natural fear of new technology.

Adoption of IP communications services, while continuing to grow, still have a ways to go to reach mass adoption. However, Akabis Open Cloud has clearly "crossed the chasm", and

is heading toward mainstream adoption. Below is the adoption of IP communication services by size of business.
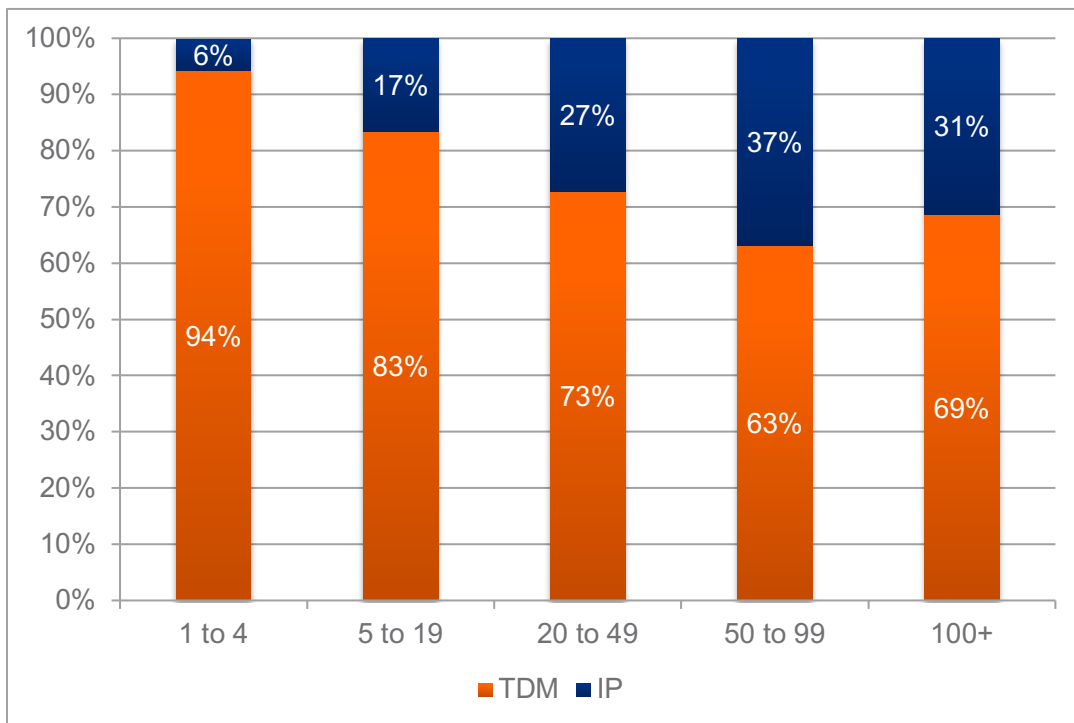
In your organization's footprint there is strong market potential with companies looking to move away from legacy Key Systems and the potential of entering new markets.

4 Competitive Landscape

The market for IP Communications is fragmented with no clear leading provider. Many service providers have launched products to attack this market but, given the large number of offers and traditional geographic boundaries of service providers, no single or

group of service providers has achieved a dominant share. In fact, the primary competition for Akabis Open Cloud will be "business as usual" given that most prospects will evaluate Akabis Open Cloud against the economics and feature set of their current phone system.

In examining the most recent market research, Akabis asked prospects the key characteristics they evaluate when making a purchase of a phone system. Not surprisingly, cost was a major factor, but so were factors such as customer care, the provider's reputation, and the overall sales process. The results can be seen below.
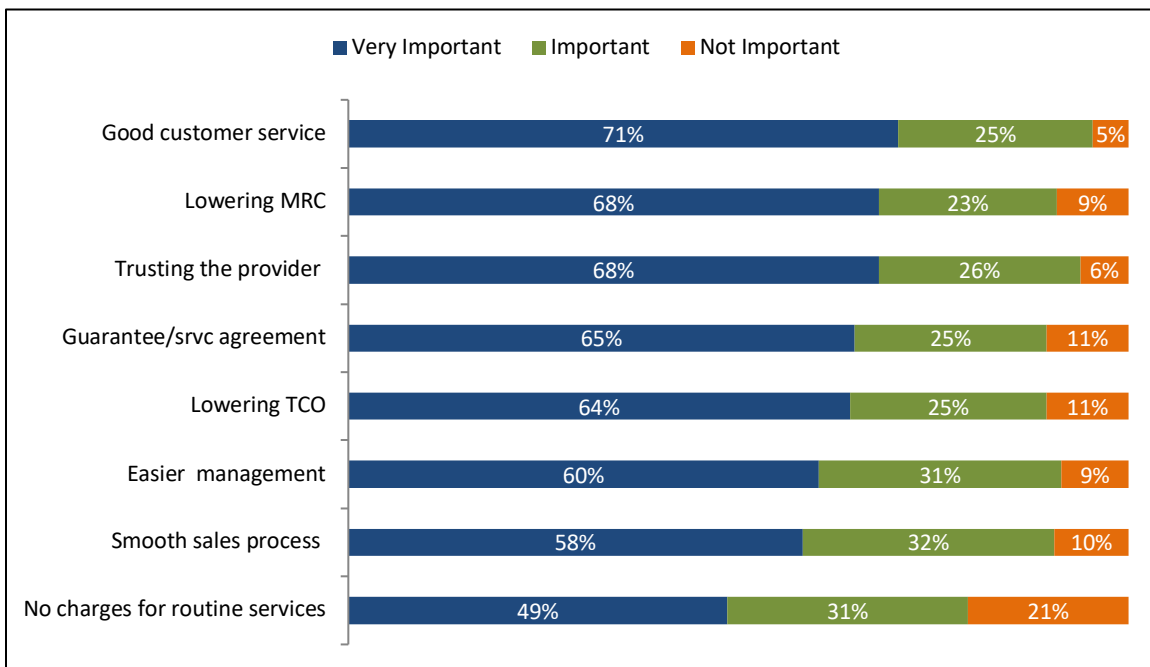

As we examine the specific offers for Akabis Open Cloud services, not surprisingly there is variation between them, although we do price normalization in the $25-30 per seat per month range, not including phones. In order to compare offers on an apples-to-apples basis, we like to compare the Total Cost of Ownership (TCO) of various products. The

TCO comparisons are most easily understood on a per-employee (or per-phone), per-month basis.

The chart below examines TCO at various deal sizes for 3 large competitors – cable company Comcast, Verizon VCE (an over-the-top offer sold outside of their ILEC

footprint), and Earthlink, a large competitive carrier. As seen below, TCO/pricing tends to trend toward the $30-40 range.
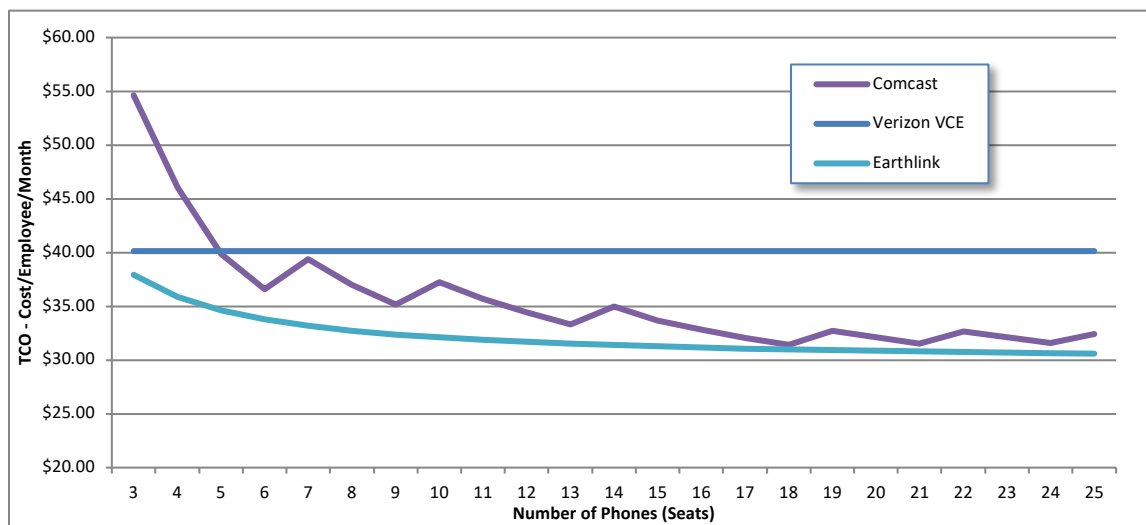
These offers include everything needed for the service – phones, equipment, installation, and support. As your organization goes to market with Akabis Open Cloud, the offer will be designed to be competitive with price points in this range.

5   Product Configuration

5.1   Product Configuration

Akabis Open Cloud will be designed with defined feature packages, limited phone options, and only a few a la carte options. This approach has several advantages:

- A standardized offer is easy for the sales person to position and customer to understand

- A quicker sales cycle – less debate and confusion from a customer trying to make up their mind
- An offer structure with not a lot of 'moving parts' enables efficient implementation, installation, and customer support, allowing for greater scale.

To accomplish this, three packages will be created to meet the needs of different use cases. These packages, or "seats", are described below:

- Basic User – a utility application for locations like a conference room, break room, or lobby phone
- Standard User – has all of the capabilities for an employee – voicemail, mobile integration (sim ring, find-me follow-me), web portal access

- Premium User – adds Accession Unified Communications (UC) functions – instant messaging, presence, soft phones for desktop and mobile.

In addition to seat packages, the Akabis Open Cloud offer will include a number of business level features. These include Easy Attendant (a basic auto attendant), Music on Hold (for the main business number), hunt groups, pickup groups, and other business level features which can be configured in the Admin Portal.

To streamline market entry, Akabis has developed a "Reference Architecture" (RA) for Akabis Open Cloud. The RA is a standardized approach to CPE, packaging, and customer configuration. Akabis has done extensive testing on the RA to ensure the configurations work as designed. There is both an engineering track and a product track – the product track has standardized customer facing documentation that can be downloaded and modified.

At a high level, the packaging and pricing will look like the chart below:

	Basic Seat	Standard Seat	Premium Seat	Global Features (included in every sale)
Includes:	PBX Feature Set	Basic plus: • CommPortal access • Voicemail • Business Call Manager	Standard plus: • UC and Mobility (Accession)	• Auto Attendant • Music on Hold • Admin Portal
Target	Utility applications (lobby phone)	Basic end user configuration	Today's employee	
Pricing (MRC)	$14.95	$24.95	$29.95	
Minutes	Bundled at Fair Use Policy			
Voice Transport	Included (no additional voice trunks required)			
Phone Price	**$5-50 per** month based on chosen phone with option to purchase			
Non-recurring	$30-50/seat (one-time)			

Note that there may be instances where it makes sense to create a call path or voice trunk to the offer that would limit the amount of concurrent calls between provider and customer. This is particularly true if there if regulated fees attached to each seat make net pricing uncompetitive. In this instance it's recommend to create a call path as part of

the offer (that fees are applied to) and have the PBX functions (the seats) as a non-regulated service.

5.2   PBX Feature Set

The table below shows the features included in Akabis Open Cloud.

Feature	Basic User	Standard User	Premium User
USER FEATURES			
Caller ID with Name	X	X	X
Speed Dial, Short Codes, Intercom Codes	X	X	X
Automatic Call Back, Automatic Recall	X	X	X
Multiple Call Appearances, Call Waiting, Call Hold, Call Transfer	X	X	X
Call Hold/Park/Pickup	X	X	X
Paging/Intercom Features	X	X	X
Shared Line Appearance	X	X	X
End User Web Portal (CommPortal)		X	X
Business Call Manager (BCM) - advanced call forwarding capabilities (sim ring, distinctive ringtones, call rejection, …)		X	X
Receptionist Features (Line State Monitoring, …)		X	X
Voicemail (access via email, web portal, or phone)		X	X
Voicemail to Email		X	X
Do Not Disturb		X	X
Contact Management		X	X
Click to Dial		X	X
Desk phone customization, management		X	X
Desktop Client – (IM, Outlook integration, Presence)			X
Mobile apps - iPhone, iPad, Android devices			X
Speech to Text transcription of messages			X
Video Chat			X
Call Jump			X
CRM Integration			X
BUSINESS-LEVEL FEATURES - INCLUDED WITH EVERY SALE			
Admin Portal		X	
Multi Line Hunt Groups		X	

Easy Attendant (Auto Attendant)	X
Music On Hold	X
Call Pickup Groups	X
Account Codes	X
Call Logs	X
A LA CARTE EXTRAS	
Premium Attendant	
Receptionist Soft Console	
ACD (Call Center) - Agent or Supervisor	

5.3   Minutes of Use (MOUs)

A pool of 250 long distance minutes will be included within the seat price to keep the Akabis Open Cloud offer simple, compelling, and competitive. Minutes would be allocated on a per-seat basis then aggregated across the account. An overage amount will be applied for MOUs above that aggregated threshold, but the idea is to create a 'virtually' unlimited LD offer that offers cost protections should customers go above a large number of minutes.

Local calling would be unlimited and included.

5.4 IP Phones

The Akabis Reference Architecture has standardized on Polycom devices. Polycom offers the best quality devices and has a number of models to suit most all business applications.

| Yealink SIP-T42S	Yealink SIP-T46S	Yealink SIP-T48S
Features • 2.7" 192x64-pixel graphical LCD with backlight • Opus codec support • USB 2.0 • T4S Auto-P template unified • T4S firmware unified • Up to 12 SIP accounts • Dual-port Gigabit Ethernet • PoE support • Paperless label design • Headset, EHS support • Integrated stand with 2 adjustable angles • Wall mountable	**Features** • 4.3" 480x272-pixel color display with backlight • Opus codec support • USB 2.0 • T4S Auto-P template unified • T4S firmware unified • Up to 16 SIP accounts • Dual-port Gigabit Ethernet • PoE support • Paperless label design • Headset, EHS support • Wi-Fi via WF40 • Bluetooth via BT40 • USB recording • Supports expansion modules • Stand with 2 adjustable angles	**Features** • 7" 800x480-pixel color touch screen with backlight • Opus* codec support • USB 2.0 • T4S Auto-P template unified • T4S firmware unified • Up to 16 SIP accounts • Dual-port Gigabit Ethernet • PoE support • Paperless label design • Headset, EHS support • Wi-Fi via WF40 • Bluetooth via BT40 • USB recording • Supports expansion modules • Stand with two adjustable angles • Wall mountable
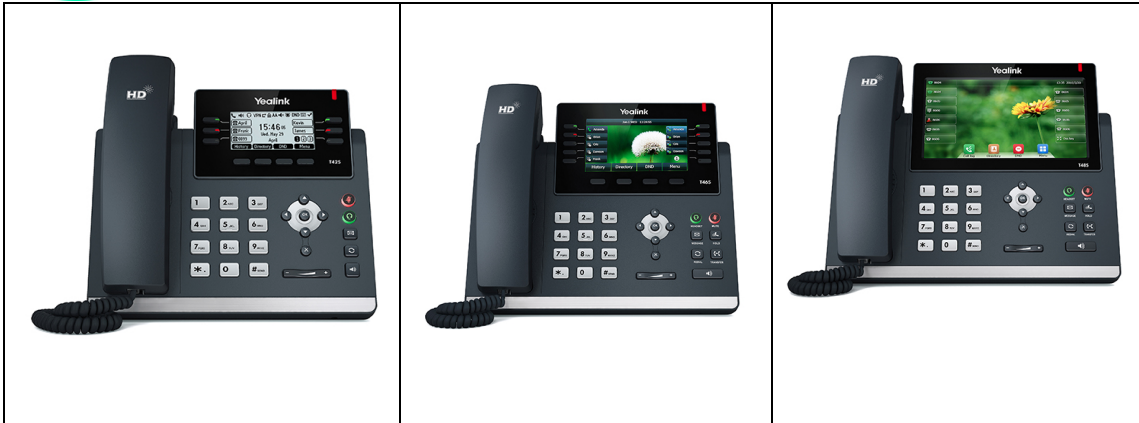
5.5   Customer Premises Switch

Using a Power over Ethernet (POE) capable switch is recommended to eliminate the need for power cables for IP phones. The Akabis Reference Architecture employs POE devices and can additionally supply these to your organization. It's recommended to include the cost of POE switches in the offer. This ensures standardized CPE, which is particularly attractive for smaller installations where you want to eliminate variables and potential truck rolls. For larger implementations that may already have POE capable hardware, it is typical to use their existing equipment.

5.6   Customer Premises Equipment Configuration

In general a "converged" LAN will be employed, meaning the Akabis Open Cloud service will be deployed over the customer's existing CAT 5e/6 wiring. This saves you costs (and wins you more deals) as you will not need to run dedicated wiring for voice. As part of your configuration, you will build a virtual LAN (VLAN) that will prioritize Akabis Open Cloud traffic above other routine traffic.

As part of the LAN assessment process (a site survey done prior to installation), you will inspect their wiring and infrastructure to ensure that it is voice capable.

At a high level, your installation will look like this:
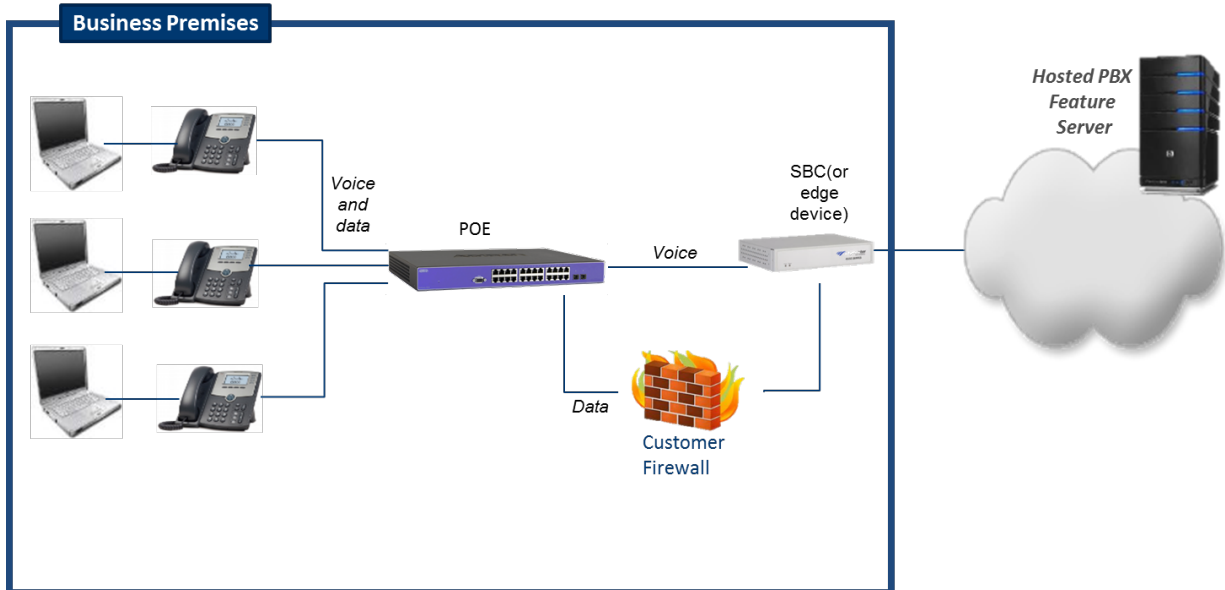
5.7 Additional Features

The features described above will satisfy the needs of the vast majority of the Akabis Open Cloud target market. Additional features may be offered, as described below.

5.7.1 Integrated ACD

Integrated ACD enables contact center functions. As many businesses have this need, adding ACD seats enables you to gather additional revenue and offer a value-added solution.

Integrated ACD targets a typical small business call center that needs routing, queueing, and reporting functionality. Agents can have membership in multiple call queues, and have a web interface to monitor their performance. Supervisors have the ability to actively monitor calls, either coaching the agent or entering the call if required. Key performance indicators can be monitored by agents and supervisors alike, and can be displayed on a wallboard display. A multitude of reports can be run on either a scheduled or ad hoc basis.

5.7.2 Premium Attendant

Premium Attendant adds many more features to Easy Attendant (which will be bundled into every sale). As compared to Easy Attendant, Premium has more scheduling options, multiple levels of menus and more options (e.g. transfer to voicemail by number,

configurable error behavior). It is recommended that Premium Attendant be sold as an add-on or upsell.

5.8 E-911 and Emergency Services

Akabis Open Cloud will meet all FCC requirements for E911 services. As such, your organization will require that the customer provide the street address with additional note field descriptors, (e.g. building number or name, floor and/ room number, etc.) of each IP phone at the time of sale. your organization will enter these addresses into its E911 portal for address validation to ensure that E911 calls are completed to the proper PSAP (Public Service Access Point) in accordance with FCC requirements.

your organization will meet the FCC requirement of having E911 information stickers that describe any service limitations placed near any IP phone that is deployed. Stickers for each phone will be adhered to all user phones by your organization installers at the time of service activation or given to the customer to apply accordingly.

6 Pricing

6.1 Options

Akabis Open Cloud will offer the options as required by your organization. Pricing is provided to ensure a full suite of UC products and offerings and will be jointly developed on the needs of your organization.

7 Operational Processes

The overall business process for Akabis Open Cloud from customer contact to Day 2 support is diagramed below.
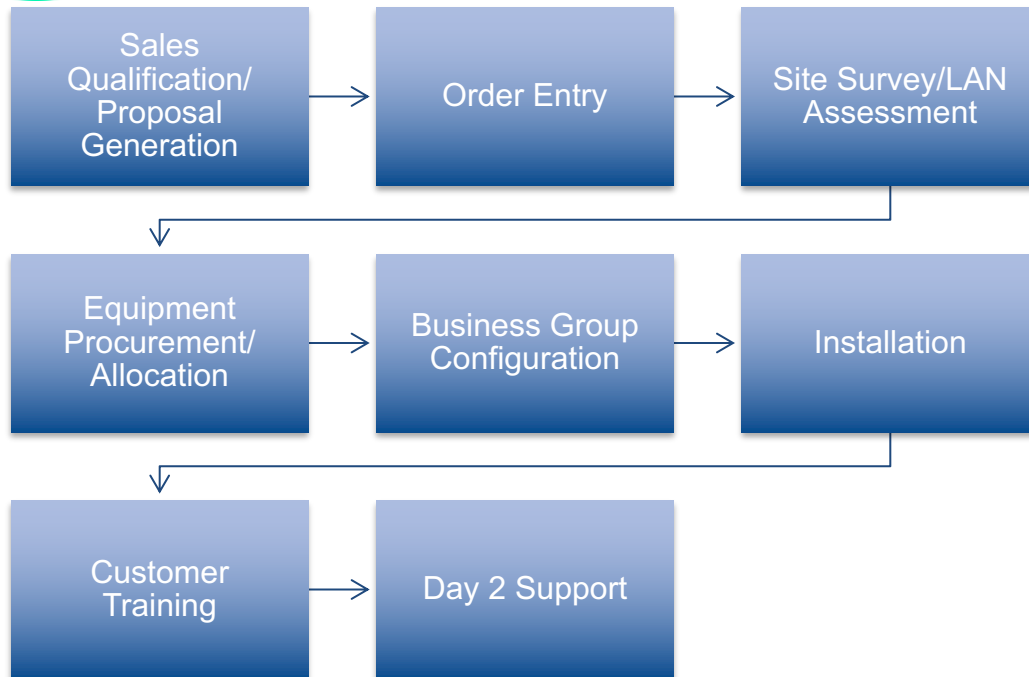
Each process step is discussed in this section.

7.1 Sales Qualification

The Akabis Open Cloud sales team will qualify each opportunity on general sales criteria (alignment of feature set with customer business need, economics and budget, etc.). They will also evaluate the customer against "knock out" criteria. If the prospect exhibits any of the "knock out" criteria, sales will not offer Akabis Open Cloud or will take steps in order to make the prospect qualified.

In general, the following criteria make a strong prospect for Akabis Open Cloud. They include:

- Overall age of current system (old = good)
- Decision maker is new in role (new = good)
- Problems with current system (problems = good)
- Growing/adding employees (growth = good)
- Business challenges (yes = good)
- Unhappy with service/provider (yes = good)

7.2 Ordering

Order forms and information gathering at the time of sale will be done per your organization's current processes.

7.3   LAN Assessment/Station Review

Within 2-7 days after the customer order is taken, your organization will conduct a site survey. The survey will encompass two key elements: the LAN assessment and a station review.

The LAN assessment will be a physical inspection of the customer's facility. It will focus on:

- The demarcation area configuration
- Existing equipment and IP addressing
- Facility walk-through
- LAN configuration and whether sufficient Ethernet cabling is in place

The Station Review will determine how inbound calls to the customer will be handled. Items to be reviewed will include:

- Distribution of inbound calls to the customer's main number
- Station details – phone, seat type, specific details of the user configuration
- Receptionist configuration
- Paging and intercom set-up
- Call Pickup Groups
- Structure and Flow of Auto Attendant
- Configuration of Hunt Groups
- Number and Type of Analog Devices (including fax machines)

LAN Assessment and Station Review are available on the product team share drive (Dropbox folder).

7.4   Equipment Ordering

Depending on the inventory strategy, equipment to support the installation will either be pulled from inventory or ordered from an Akabis.

7.5   Business Group Configuration

Upon completion of the Site Survey, the business group will be built to include the specific customer configuration captured during Site Survey. Assignment of DIDs and/or number porting will be initiated during this process step.

7.6   Installation

Within 5-10 business days after the business group configuration has been completed, installation will take place. The installer will get all equipment installed and provision the phone. Upon completion of equipment installation, the configuration will be tested and

number porting will be initiated. A final test with ported numbers will also be conducted, as well as testing of the receptionist portal, auto attendants, hunt groups, and other custom configuration elements. The testing checklist form can be found on the product share drive.

The customer will be asked to sign a form indicating that the installation meets with their approval.

7.7   Customer Training

On the day of installation your organization will conduct training for the customer's employees and the customer Business Group Administrator.

7.8   Day 2 Support

Once the customer is operational, a customer support plan will be devised. This plan will detail the Tier 1/2/3 responsibilities of the customer care team, what issues will be solved where, and how tickets will be opened and closed.

8   Go-To-Market Plan

Akabis Open Cloud will be launched in accordance with the project schedule. All objectives –product, marketing and sales – will be completed prior to launch.

8.1   Marketing Deliverables

The following materials will be developed as part of the marketing launch.

- Sales collateral ("slicks")
- Whitepaper
- Sales presentation
- Sales demo guidelines
- Product website changes
- Operational documents – quick start guides
- Product manuals
- Tutorial videos

8.2   Lead generation

Marketing will develop a lead generation plan to attract customers to the product. This program will include elements such as direct mail, email, web marketing, and print advertising.