



VoIP On Speed Dial

Tom Taulli, 12.14.05, 6:00 AM ET

LOS ANGELES - A couple years ago, Robin Richards got a call--yes, on a regular land line--from the principal of his daughter's school. It was an automated call sent to hundreds of parents reminding him to attend an event. "Without the call, I probably would not have attended," said Richards. "The old way of doing things, by having a memo go in a student's backpack, needs to change."

For Richards, the cofounder of MP3.com, an innovator in online music distribution, and Tickets.com, which is now part of MLB.com, it wasn't just personal; he stumbled onto a business idea. Why not use VoIP (voice-over-Internet Protocol) and Internet technologies to bring schools into the 21st century? In fact, this has been something Richards is good at.

His new company, [NTI Group](#), is now the leader in student notification with coverage of over four million students. No doubt VoIP is a critical piece of the company's incredible success.

During the past year, VoIP has certainly been a hot topic, such as with **eBay's** (nasdaq: [EBAY](#) - [news](#) - [people](#)) purchase of Skype, as well as the hyper-growth of such companies as **Vonage**. Even old-line telecom companies are entering the game, such as **BellSouth** (nyse: [BLS](#) - [news](#) - [people](#)), which recently struck a deal with **8x8** (nasdaq: [EGHT](#) - [news](#) - [people](#)) for a digital phone service.

According to [CompTIA](#), about 60% of small and midsized businesses will deploy or evaluate VoIP systems over the next 18 months.

"Saving money is always a prime interest for small businesses," said Ian Kieninger, who oversees the voice and data specialty businesses at [CDW](#). "But we are finding that these companies are becoming more strategic about VoIP use. Small businesses are interested in how they can use VoIP to improve customer service, enhance employee productivity and simplify user management. In addition, small businesses are interested in how VoIP can help them more effectively compete with larger competitors."

While there's an assortment of larger companies in the VoIP space, such as **Microsoft** (nasdaq: [MSFT](#) - [news](#) - [people](#)), **Google** (nasdaq: [GOOG](#) - [news](#) - [people](#)), **AOL** and **Yahoo!** (nasdaq: [YHOO](#) - [news](#) - [people](#)), there are definitely a growing number of smaller ones on the cutting-edge. Let's take a look.

A Healthy Alternative

[Envox Worldwide](#) got its start in 1997 with a simple vision: Help organizations reduce the time, cost and complexity of creating voice solutions. That meant building solutions on open, standards-based technologies, as opposed to proprietary hardware and software typically offered by the large telecom companies. To this end, the company has forged strategic alliances with companies like **Intel** (nasdaq: [INTC](#) - [news](#) - [people](#)), **ScanSoft** (nasdaq: [SSFT](#) - [news](#) - [people](#)) and Microsoft.

The result is a technology called Envoy 6 Communications Development Platform. "We are continually amazed by the innovative uses that our customers and partners have found for our products," said **Mark Flanagan**, the president of Envoy. "We have helped organizations create

solutions, such a tee-time reservation system for golf courses, e911 registration, a psychic hotline and even a system for monitoring the hunting of fish and game."

[Adherence Technologies](#) used Envox to build AccuNurse. Typically, nurses at long-term care providers need to memorize up to 20 pages of resident-care instructions every day. At the end of a shift, they must record all their actions (previously, this may have meant writing notes on hands and wrists). AccuNurse is a wireless headset that is speech activated and allows nurses to more accurately and conveniently record information. In other words, it helps improve the quality of care while also reducing costs and errors.

Or take [Time America](#) and [CalAmp](#). Several years ago, both companies partnered to develop an application for the **Cisco** (nasdaq: [CSCO](#) - [news](#) - [people](#)) IP Phone. The result was ExtendTime, which allows workers to clock in/out for the day, lunches, breaks and even do such things as view employee benefits via an IP phone instead of the usual punching of a time clock.

"It was an excellent way for businesses to track employee time and productivity, as well as manage scheduling and enforce payroll policies," said **Jon Weiss**, the vice president of business development of Time America. Now, there are more than 7,000 ExtendTime users.

Another company that keeps a pulse on the VoIP space is [Dimension Data](#), a multimillion dollar (revenue) IT service firm. A company they do business with is [IPcelerate](#), which has a product that integrates a voice system with fire control panels, door alarms, personal alarm devices and so on. When an event ("Fire!", "Break-in at Building A," etc.) originates from such an endpoint, IPsession generates an alert, which is sent not only to emergency services, but to the in-building security staff--decreasing response time.

"Today, VoIP is less about dial tone than it is about applications impacting business processes," said Matthew Kershaw, who is part of the converged communications practice at Dimension Data North America.

VoIP Gets Real

However, the growth of VoIP presents significant infrastructure challenges, and that's a big opportunity for [Narus](#). "We started as a network data-mining company," said **Greg Oslan**, the CEO of Narus. "We then realized we could analyze IP data, such as VoIP."

Essentially, Narus provides a "total view" of all IP traffic on the network, which is important for several key reasons. First, it helps with quality of service. After all, customers don't mind if an email is five seconds late, but would definitely not want a five second delay in a middle of a conversion.

Next, Narus helps monitor security issues, such as call hijacking or Trojan horses. Also, the company's technology helps with something called Lawful Intercept. LI is analogous to "tapping" phone calls with a court-issued warrant. This is of interest to carriers not only because they care about helping to deter or monitor terrorists and criminals, but also because the Communications Assistance for Law Enforcement Act of 1994 mandates that all VoIP providers be compliant by May 2007.

"Obviously VoIP is an incredibly powerful technology with far-reaching implications for changing the way we work and communicate," said Oslan. "As more and more providers enter the market, the range of offerings expands from 'free' products, such as Skype, to complete-service offerings from new entrants, such as Vonage, and traditional operators, such as **Verizon Communications** (nyse: [VZ](#) - [news](#) - [people](#)), AT&T and British Telecom. It is becoming critical that network operators build a strong infrastructure to protect, manage and ensure the quality of new services, such as for VoIP."