

NEWS

VONAGE REALIZES LNP PROGRESS BY OUTSOURCING ITS PROCESS

VoIP provider will re-deploy 120 workers following Synchronoss, 3PV help

by TIM McELLIOTT

As it approaches its millionth-line milestone, Vonage is becoming quicker and more accurate in porting its new customers' numbers to its voice-over-IP service thanks to new outsourced technology from Synchronoss Technologies and 3PV.

Vonage will replace its manual processes for local number portability with an automated letter of agency (LOA) solution from 3PV (whose name stands for Third Party Verification) and a hosted e-commerce order management and LNP service from business process outsourcer Synchronoss.

The solution from 3PV is in place and automatically validates signatures so Vonage can start processing orders immediately without waiting for a handwritten fax copy. It will then feed the order through the Synchronoss system to match and process the orders.

"Over the next 30 to 60 days, Synchronoss will manage the whole process after the LOA, soup to nuts," said Dan Bemis, senior vice president of customer care for Vonage. "We think this will have a significant impact on our customers."

The multi-year agreement with Synchronoss calls for Vonage to use the vendor's ActivationNow order gateway and workflow management platform to track VoIP transactions with Vonage retailers, as well as through Vonage's own Web portal, and identify provisioning problems and manage the resolution process. The Synchronoss VoIP LNP fallout management system will provide a more accurate process for porting numbers and notifying customers when their number will be ported. Approximately 65% of all new VoIP orders involve porting numbers.

Bemis said that, by the end of the summer, Vonage will be able to port numbers very rapidly about 95% of the time.

For Vonage employees, the upside to automating this process

is that it doesn't come with the usual downside. "There will be no job loss whatsoever," Bemis said. Vonage will transition the approximately 120 employees currently doing manual LNP work into the company's customer-service operations.

In addition to being an outsourced, transaction-based service, Synchronoss' revenue is tied to the speed and quality with which it manages exceptions, or order fallout. The service also comes with what Bemis called an industry-pioneering service-level agreement.

Synchronoss, which just launched its VoIP LNP service 10 months ago, is already claiming the top two VoIP providers (Vonage and Cablevision) as well as Level 3 Communications' wholesale division as customers for LNP.

"Between Vonage, Cablevision and the Level 3 relationship, I would guess we have about a 65% to 70% market share," said Steve Waldis, president, CEO and founder of Synchronoss. The company also serves KMC Telecom.

That market is expected to grow, and the need for VoIP LNP fallout management and ordering systems will grow along with it, Waldis said. "When we built our footprint, it was typically the [carriers] who were porting numbers out, but with these new players starting to port numbers, that has a tendency to break automation for any provider," he said.

Synchronoss is a survivor among the startups of 2000 and is profitable, debt free and still has half its original seed money in the bank. It has annual revenues in excess of \$50 million.

Altamonte Springs, Fla.-based 3PV is a speech-enabled, live agent and online third-party verification and call recording service.

Vonage's service area encompasses more than 2000 active rate centers in more than 150 global markets. Its service is sold directly through its Web site and retail partners such as Amazon.com, Best Buy, Staples, RadioShack and Circuit City. The company expects to sign up its 1 millionth customer by the end of 2005. ■



"Between Vonage, Cablevision and the Level 3 relationship, I would guess we have about 65% to 70% market share."

Steve Waldis, Synchronoss