

A Converged Voice and Data Solution by DataCom Networks and Cisco Systems for **The Cottonport Bank**

One System, Voice and Data, With Better Service for All

As with many small, regional financial institutions, The Cottonport Bank is well known outside, in and around Cottonport, Louisiana. With a history stretching back more than a century, The Cottonport Bank has become a trusted name in the communities it serves.

The Cottonport Bank provides its customers with 13 offices across southeastern Louisiana, including 10 bank branches, an administrative and data-processing center, as well as the bank's administrative offices, which also house Cottonport's insurance, investment, and armored-car business groups.

Challenge

In the banking industry today, loyalty-building customer service requires more than just a friendly greeting at a local branch. Regional banks such as

The Cottonport Bank face a growing challenge from much larger, national institutions with greater geographical reach (often the result of megamergers) that are able to offer consumers a broad range of services and conveniences such as online account access. To compete, smaller institutions need to take advantage of available technology to become more responsive, increase productivity, and make banking easier and more convenient for their customers.

In 2002, Cottonport management decided to upgrade the bank's telephone system to improve its competitive position. Cottonport's aging public branch exchange (PBX) telephone network and multiple branch-specific voice-mail systems were proving difficult to maintain and creating an obstacle to delivering better customer service.

Adds, moves, and changes were time-consuming tasks that had to be performed manually. In addition, the dated system provided no migration path to features such as central call routing or universal voice mail. Finally, the system was proving very costly to the bank. Because Cottonport's branches and administrative offices spanned two area codes in the region, many of the calls between any branch and the main data center resulted in expensive toll charges, and accounted for 60 percent of the bank's total long-distance bill.

The Cottonport Bank, serving southeastern Louisiana

With a history stretching back more than a century, it has become a trusted name in its community.



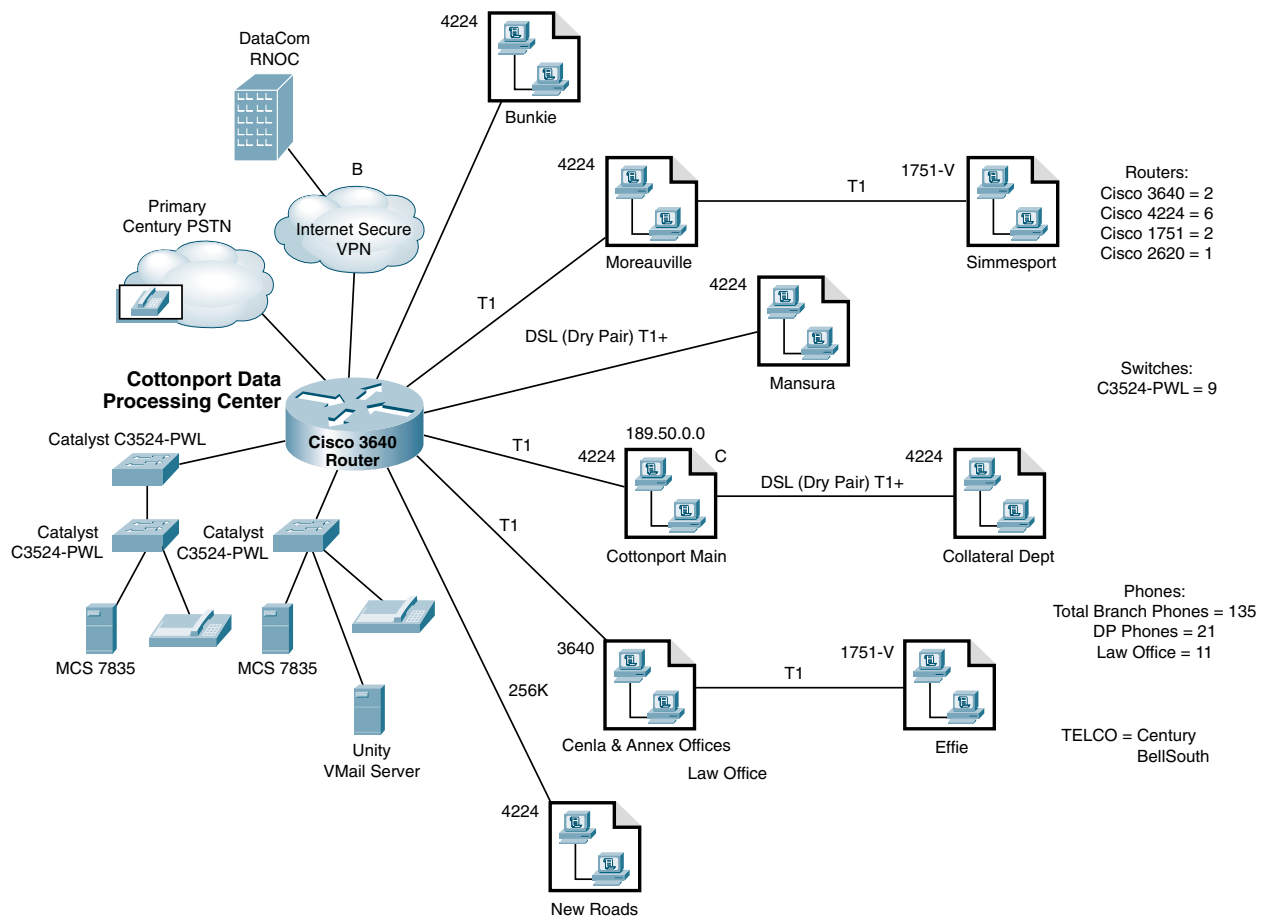


Solution

The Cottonport Bank decided to replace its aging telecommunications system, but administrators quickly realized that upgrading the existing mixed infrastructure would have left Cottonport with multiple systems to administer. Instead, Cottonport decided to move to an IP telephony solution using Cisco equipment for both savings and service improvements. To that end, the bank installed a converged voice and data system based on Cisco AVVID (Architecture for Voice, Video and Integrated Data) solutions, supported by DataComm Networks, a Tampa, Florida-based Cisco Premier Partner.

The move to IP telephony now allows the bank's voice and fax traffic to share the dedicated T1 lines already being used for exchanging data between the sites. As a result, voice and fax traffic are now essentially free of charge.

In addition, many of the bank's customer service offerings have improved as a result of the new system. With the old PBX system, an automated answering system was out of the question. But Cottonport wanted to maintain the personal touch while improving customer convenience. Now, thanks to features such as unified messaging and central call processing, customers can reach any bank employee in nearly any location by dialing a single number,



Cottonport Bank's converged data-voice network uses Cisco IP Telephony solutions to route voice and fax traffic over the bank's data lines, replacing a patchwork of disparate PBX systems and eliminating toll charges between Cottonport offices and branches.



“We looked at the option of maintaining the current environment, but it is not customer centric. It does not give our clients what they need. We felt that if we simply updated the old PBX infrastructure, we would still be living with the same scenario as before.”

— Lynn Roy, Vice President, Data Processing, Cottonport Bank

rather than being told to hang up and dial another number. The new system also speeds transfers between branches or extensions with four-digit extensions for employees, and provides universal voice mail for all The Cottonport Bank employees.

The IP communications solution has given the bank a single voice-and-data infrastructure to manage, which simplifies adds, moves, and changes. With centralized management now possible, Cottonport has outsourced the task to the DataComm Network Operations Center (RNOC) in Tampa, for proactive maintenance, adds, moves, and changes using Cisco CallManager, a software-based call-processing solution.

“We carefully considered the converged network benefit,” explains Chad Luneau, network administrator for Cottonport Bank. “By running voice and data on the same network, over time the bank will save a tremendous amount of money in maintenance and skill sets to manage that environment.

“What’s nice about the Cisco system is that you can pretty much do anything with it,” he continues. “Before, when we had to do moves, adds, and changes, we were dealing with multiple phone companies. Now, when we want to make a change, we can do it on one system, remotely.”

Brian Boyer, senior accounts manager for DataComm Networks, Inc., concurs. “No bank wants to be a phone system technician,” he says. “What it results in is, how can we improve customer service? How can we as a regional, rural bank compete with the Bank of Americas and Wachovias?”

Results

Although initially the more expensive solution, the IP telephony option won with a higher return on investment (ROI) over time. Cottonport Bank officials estimate the ROI for their IP communications system will reach 100 percent within 30 to 36 months, thanks to a combination of reductions in voice-circuit, long-distance, telephony equipment, maintenance, and network-administration costs. Administrators estimate the savings from eliminating toll charges for interoffice voice and fax traffic alone will top US\$80,000 in the first year.

The solution from Cisco and DataComm also eliminated a substantial number of trunk lines from branches to the public switched telephone network, each of which carried a monthly charge.

“It’s better in every way,” says Luneau. “Every employee gets voice mail. It takes a load off of people who were answering the phones at the branches and having to redirect calls. It’s better for the customers, who call one number and connect with who they need.”

“The real payback is in getting 10 times the functionality that we previously had,” says Roy. “And we haven’t even begun building applications that take advantage of all the things you can do with these phones. It’s going to be incredible.”

Next Steps

For Cottonport Bank, a friendlier and more full-featured phone system is only the beginning. When a call is transferred, the integrated voice-and-data system can open the calling customer’s account on the bank representative’s desktop computer. IP “soft-phones,” which can be used with notebook PCs, will allow traveling

loan officers to tap into the centralized phone system without incurring toll charges. In addition, they'll be able to access customer account information quickly from the field. Even integrated video—used for training and conferences—can be carried over the bank's existing wide-area network (WAN) to employees' desktops.

New users and entire new branches can be added more easily, supporting the bank's steady growth. And the Cisco IP Communications solutions lets Cottonport's mobile tellers—who frequently move between branches—keep their own extensions and stay in contact as they change assignments. In an industry where relationships are made and maintained with exceptional personal service, an IP communications solution provides a bankable edge.

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