

# CHAIN STORE AGE®

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## NETWORKING

# The Value of VoIP

Wesco's VoIP network supports existing applications, PCI

By Deena M. Amato-McCoy

When Wesco Inc. initially added a frame-relay network, it seemed like the perfect way to manage a variety of applications. Once the network's capacity was stretched, the retailer realized it could no longer support existing applications and new initiatives, including looming PCI (payment card industry) compliance requirements.

By upgrading to a VoIP (voice over IP) network, Wesco is prepared to tackle PCI compliance, as well as maintain existing and new applications.

Commuters across Michigan are familiar with the Wesco brand. The company, which has \$152.6 million in annual sales, operates 51 convenience store/gas station combinations across the state, as well as seven Subway locations.

To keep abreast of happenings in each location, Wesco relied on a standard 56k frame-relay network. While the company initially installed the frame-relay network to streamline credit-card processing, new applications were soon added.

"Once you get a WAN [wide area network] in place, it is very appealing to see what additional applications you can manage through it," Rachelle Osborn, director of technology, Wesco, Muskegon, Mich., told *Chain Store Age*.

In addition to credit-card processing, the network transmitted data between stores and corporate, as well as managed ATM processing, fueling-station CCTV cameras, fuel-tank monitors, deli scales and store-level music files. "It also supported file sharing, store-level Microsoft Outlook functionality and all back-office PC functions," she said.

As new applications were added to the network, however, the company began struggling with a slowly deteriorating amount of bandwidth. And by the summer of 2006, a new issue began testing the reliability of Wesco's existing network.

"We started researching PCI requirements and knew that to become compliant we had to upgrade our store-level routers and switches," Osborn explained.

Since Wesco is considered a small- to mid-sized business (SMB), Osborn had specific requirements when she began searching for the ideal solution. First, she wanted a solution that could be managed wirelessly from corporate, "to avoid visiting each individual store when doing upgrades," she said.

The company was also attracted to a VoIP-based solution, an infrastructure that would allow the company to manage calls over the Internet. "Since our stores are spread out across western Michigan, we wanted a way to eliminate telephone lines, as well as long-distance charges," Osborn recalled. "It is a way to keep our enterprise connected virtually for free."

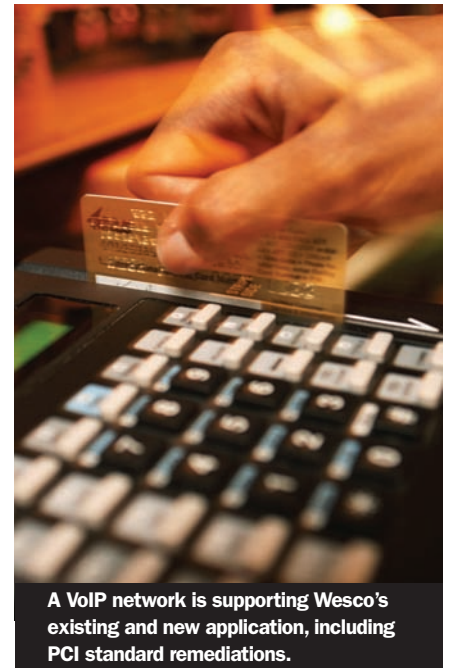
Wesco also needed a technology vendor that would become a business partner. "We have a small IT team that would be managing the solution, so we wanted a partner that would hear our needs, and share industry knowledge to help us choose the best solution—not just sell us one," she said.

While attending a local seminar, Osborn encountered ADTRAN, a Huntsville, Ala.-based provider of networking and communications equipment.

Wesco chose to add ADTRAN's NetVanta 1335 VoIP gateway, which is comprised of a router, switch, VPN (virtual private network), firewall and 802.11 a/b/g wireless access. Using store-level routers, the gateway simplifies VoIP, Internet access and business connectivity services for SMBs.

Wesco also added NetVanta's converged IP PBX switch-router that combines all networking functionality needed for voice, data and Internet communications onto a single platform.

Since voice and data traffic would be flowing over one pipeline, Wesco quickly began increasing firewalls—an important



A VoIP network is supporting Wesco's existing and new application, including PCI standard remediations.

task as it prepared for PCI standards. Next, the company added the routers and wireless-access points. This configuration allowed Wesco to upgrade from its 56k network to MPLS (multi-protocol label switching), or an infrastructure that can divert and route traffic around link failures, congestion and bottlenecks.

Since installing the infrastructure at the end of 2006, Wesco has maintained its IT staff, "and we have one person dedicated to managing the network," Osborn said. "It was an easy upgrade and it is just as simple to maintain."

The cost-effective system also produced a positive return on investment within 12 months.

Currently, Wesco stores use VoIP to communicate with the corporate office. However, "We are exploring how we can further use the technology," she said.

"We could set up the network to support an 800 number that would allow a store associate to call anywhere in the state without incurring a long-distance charge," she said. "There is definitely more opportunity, and cost savings, sitting on the table related to expanding VoIP." ■

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