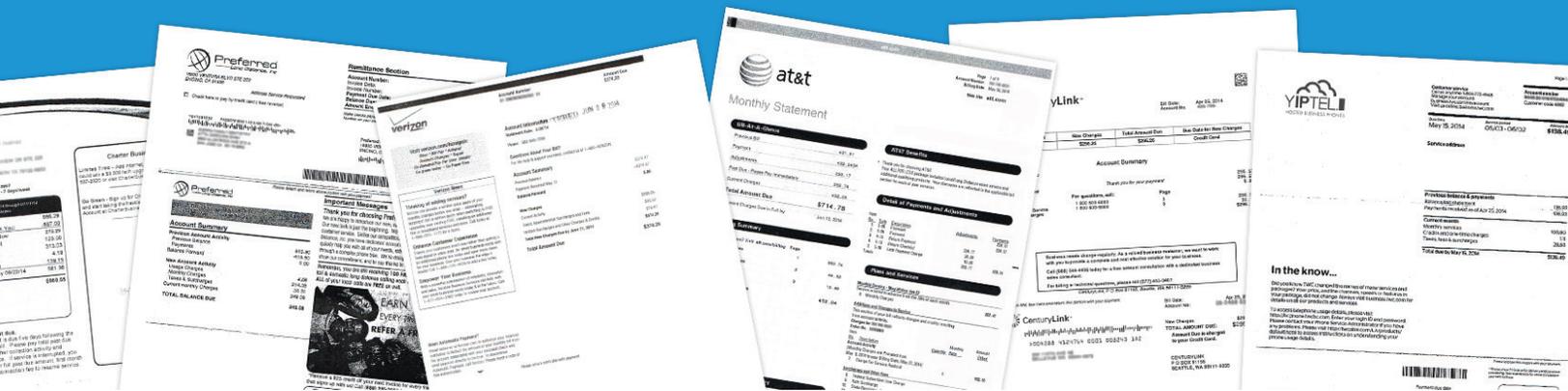


The bills show it: Intermedia's Cloud PBX cuts your phone bills by over 50%

This before-and-after comparison uses actual customer phone bills to show how Cloud PBX really does cut monthly costs by over 50%. (Not to mention the fact that there's no hardware to buy—and you can even get the desk phones for free.)




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For years, we've been saying that Intermedia's cloud-based phone service, called Cloud PBX, can save businesses over 50 percent on their phone costs. Recently, one of our retail partners asked us to prove it.

So we did.

We took a sample of 19 small business "pre-customers" that had received firm price quotes for our Cloud PBX service as of December 2014. These businesses were considering replacing their phone systems. We asked them for copies of monthly bills from their current phone service providers and compared what we found there to our Cloud PBX pricing. We also asked them what they paid upfront for their phone systems.

What we analyzed

In the spirit of "apples-to-apples," we compared only those features that both Intermedia and its competitors provide. [For example, we didn't count the value of our Internet Faxing or Conference Calling services, both of which are included for free with Cloud PBX.]

For the 19 customers, we averaged out the monthly service costs for the following:

- Fee per line
- Local calling fees per line
- Long distance fees per line
- Carrier fees per line (not including local, state and federal charges that Intermedia and all carriers collect)

In addition, we averaged the upfront costs of an on-premises PBX phone system, plus the deskphones themselves. We focused on systems that support up to 15 lines.

Which phone companies did we compare against?

We analyzed providers of on-premises business phone systems. They represent a balanced mix of traditional services and VoIP ones.

Business Phone Service Providers



Business Phone Systems



What we found

Our analysis showed that on monthly, per-line service costs and fees, our Cloud PBX solution indeed saves small business customers **53 percent on average** compared with the competition. And that's before we added savings on on-premises phone systems & phones.

Monthly voice services fees per line: Intermedia vs. the competition

Customer	State	Company	Bill Date	Line Fee	Local Fee (per line)	LD Fee (per line)	Service Type	Carrier Fees (per line)	Total
Customer 1	UT	YipTel.com	2014	\$42.00	\$0.00	\$6.75	VoIP	\$2.35	\$51.10
Customer 2	MT	Blackfoot	2014	\$38.00	\$0.00	\$6.26	VoIP	\$1.10	\$45.36
Customer 3	NY	PowerNet Global	2014	\$7.98	\$0.00	\$33.20	VoIP	\$15.05	\$56.23
Customer 4	NJ	Verizon	2014	\$35.00	\$0.00	\$4.90	Traditional	\$15.91	\$55.81
Customer 5	CA	Verizon	2014	\$39.10	\$14.75	\$36.36	Traditional	\$0.00	\$90.21
Customer 6	CA	Verizon	2014	\$32.65	\$13.75	\$8.54	Traditional	\$26.27	\$80.71
Customer 7	CA	AT&T	2014	\$67.21	\$0.54	\$0.00	Traditional	\$18.60	\$86.35
Customer 8	CA	AT&T	2014	\$69.00	\$0.00	\$22.16	Traditional	\$3.15	\$94.31
Customer 9	CA	AT&T	2014	\$32.50	\$0.00	\$13.91	Traditional	\$1.18	\$47.59
Customer 10	CA	AT&T	2014	\$53.50	\$0.00	\$5.72	Traditional	\$11.06	\$70.28
Customer 11	CA	AT&T	2014	\$35.00	\$0.00	\$11.54	Traditional	\$6.96	\$53.50
Customer 12	CA	AT&T	2014	\$106.25	\$0.95	\$3.31	Traditional	\$17.17	\$127.68
Customer 13	HI	Hawaii Telecom	2014	\$30.67	\$0.00	\$0.97	Traditional	\$19.95	\$51.59
Customer 14	UT	Integra	2014	\$25.95	\$0.00	\$0.00	VoIP	\$30.10	\$56.05
Customer 15	CA	Verizon	2014	\$35.62	\$0.00	\$17.49	Traditional	\$3.27	\$56.38
Customer 16	TX	Charter	2014	\$44.61	\$0.00	\$0.00	VoIP	\$11.47	\$56.08
Customer 17	WA	CenturyLink	2014	\$57.87	\$0.00	\$0.00	Traditional	\$9.42	\$67.29
Customer 18	CA	Preferred	2014	\$50.00	\$0.00	\$1.56	VoIP	\$20.33	\$71.89
Customer 19	WA	LocalTel	2014	\$45.28	\$0.00	\$0.00	VoIP	\$0.00	\$45.28
Competitors' Averages				\$44.64	\$1.55	\$9.09		\$11.23	\$66.51
Intermedia				\$29.99	\$0.00	\$0.00		\$1.50	\$31.49
Savings				\$9.12	\$1.55	\$9.09		\$9.73	\$35.02
Savings Percentage				32.82%	100%	100%		86.64%	52.65%

In addition, the fact that our phone system is hosted in the cloud and included for free with the Cloud PBX service saves a typical small business (needs 5-10 lines) as much as \$4000 and often more.

The Bottom Line: Intermedia saves customers 53% on monthly, per-line phone service —and thousands on upfront hardware costs

	Competitors' average cost	Intermedia's cost	Savings
Service costs Per month, per line, including fees	\$66.51	\$31.49	53%

	Competitors' average cost	Intermedia's cost	Savings
Hardware costs PBX system and deskphones for 5-10 lines	\$3,500 - 4,000	\$0	100%

Breaking It Down: Where the service cost differences come from

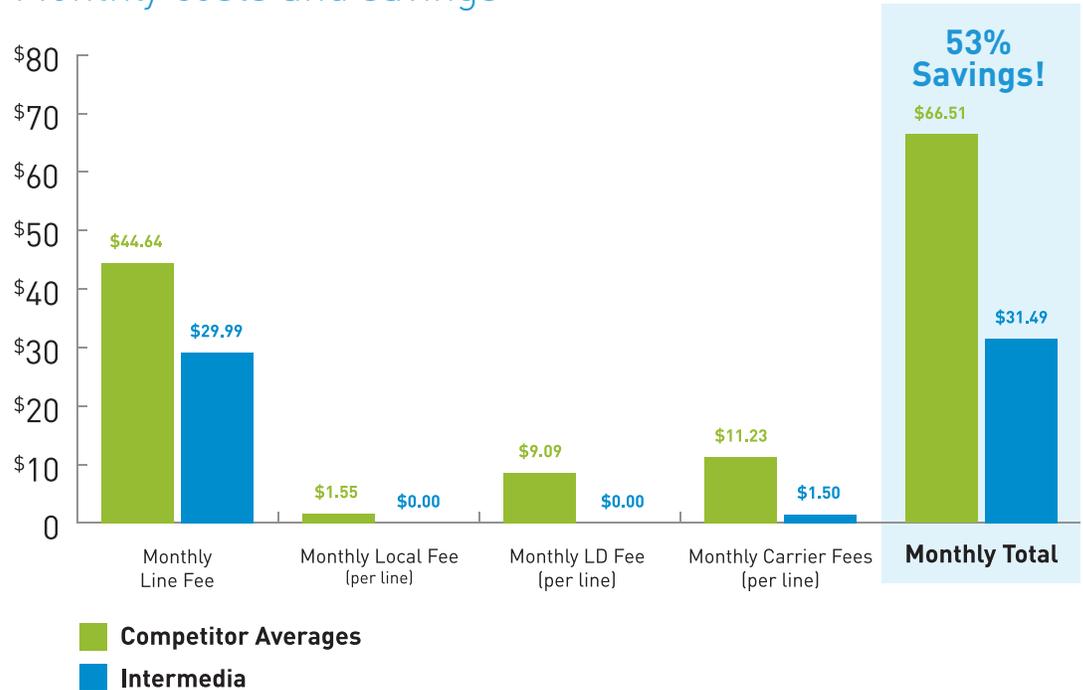
As shown in the chart on the next page, the significant monthly cost differences between Intermedia's Cloud PBX and traditional phone services lie in the per-line service and carrier fees customers are charged.

Per-line service fees. On average, the businesses whose bills we looked at are paying monthly per-line service fees of \$44.64, compared with Intermedia's monthly per-line service fee of \$29.99.

Carrier fees. On average, the businesses whose bills we looked at pay monthly carrier fees of \$11.23 per line, compared with Intermedia's low monthly carrier fees of \$1.50 per line.

Local and long distance fees. Like Intermedia, many of the providers covered in the analysis charge no per-line local or long distance fees—although a few charge as much as \$14.75 for local and \$5.00 for long distance service per line.

Monthly costs and savings



Upfront savings

When you reduce your business phone services bills, the savings add up over time. With Intermedia, you also keep thousands of dollars in your pocket from day one. We host the PBX hardware in the cloud and include it with our single flat monthly rate for the entire service. And, businesses don't have to program or install PBX hardware or licenses.

The table below shows the costs of several typical on-premises PBX systems that support 5-10 lines, including both POTS (plain old telephone service) and VoIP varieties. As noted, **you save 100 percent** of such costs with Intermedia's Cloud PBX service, because with Intermedia you don't pay for the PBX system. On top of that, with our ongoing promotion, you can get 2-line desk phones for free, too.

	PBX	w/ 5 phones	w/ 10 phones	w/ 15 phones
Lucent Avaya Definitely Pbx Telephone System W/ Cards Tn2224 Tn2224 Tn767e	\$999.00	\$1,596.00	\$2,193.00	\$2,790.00
Panasonic Hybrid Ip-Pbx Control Unit Bu P762040	\$2,999.95	\$3,596.95	\$4,193.95	\$4,790.95
Allworx 8200030 24x All in One Phone System and Network Server	\$4,345.00	\$4,942.00	\$5,539.00	\$6,136.00
Bizfon - BIX-700 - Bizfon 7000 IP PBX System - Bundled Version	\$5,195.00	\$5,792.00	\$6,389.00	\$6,986.00
Fortinet FortiVoice-200D-T 4ports 10/100/1000 4FXFO 4GB 1TB	\$5,095.00	\$5,692.00	\$6,289.00	\$6,886.00
Samsung Officeserv 7100 W (6) 28 Button	\$2,499.00	\$3,096.00	\$3,693.00	\$4,290.00
D-Link VoiceCenter IP Phone System, 5-Phone Kit for Microsoft...	\$2,495.33 - 5 phones included			
Allworx 48x Telephone System Server Voip Pbx Ksu W/ 4 x 9224 & 22x9	\$6,879.95 - 48 phones included			
Att Synapse 4-line Business Ip System + 5 Phone Package Voicemail	\$1,949.00 - 5 phones included			
Samsung 10-Phones Pack SMT-15243D 19B IP phone Terminal	\$4,273.00 - 10 phones included			
Intermedia Cloud PBX	\$0.00	\$0.00	\$0.00	\$0.00
Average Savings per PBX with Phones	\$3,522*	\$4,119	\$4,716	\$5,313

* Average of PBX only, w/o phones-included offers

The “hidden” costs you don't pay with Intermedia

There are other costs involved in using on-premises phone systems and services, costs that may not show up on your monthly bill but add up just the same. But with Intermedia, there are no “hidden” costs.

With on-premises voice systems, you typically pay for:	But not with Intermedia's Cloud PBX:
<p>Maintenance contracts. Typically, the yearly cost is about 10 percent of what you paid for your system up front.</p>	<p>There's no maintenance contract. Period. If you need support, you just call us. Our technicians typically answer the phones in 60 seconds.</p>
<p>Moves, adds, and changes. Need to move a phone, add phones, or otherwise change the configuration of your system? With traditional phone systems, this is not a do-it-yourself proposition. Instead, you have to pay your system provider to send a technician to do it for you, at additional cost over and above your maintenance contract.</p>	<p>You pay nothing for adding phones other than the additional low monthly fee for each line you add.</p> <p>If you want to move a phone, it's simple: you literally pick it up and plug it into an Internet connection.</p>
<p>Expanding your phone system to keep up with your business. You have to buy the additional phones, of course. But you usually also have to buy a new piece of hardware for your system, called a line card, to accommodate the new phones. And typically, you have to buy this hardware and service for four lines at a time, even if you don't need that many.</p>	<p>Add one phone, one line at a time, at no cost. You pay only the additional low monthly fee for each line you add. Installation is plug and play—the essence of do-it-yourself. In fact, Intermedia's web-based portal enables you to set up, manage, and maintain your own system to suit your current and future business requirements.</p>
<p>The cost of downtime. If the power goes down at your office, you'll lose your phones, too. Your customers won't be able to reach you. You can lose both revenue and the good will of your customers.</p>	<p>99.999% uptime SLA. Intermedia guarantees less than 26 seconds of downtime a month for the service. What about storms or earthquakes? Well, if the power goes out to your office, your phones can automatically route to voicemail or forward to mobile phones, depending on how you want it configured.</p>
<p>Switching providers. Want to change from one phone service provider to another? Better check your contract—you could be on the hook for a substantial penalty for breaking your contract with your current provider.</p>	<p>Enjoy the freedom of no contracts, no cancellation fees. Just Intermedia's 30-day money-back guarantee, legendary reliability, and free round-the-clock support (by actual living human beings).</p>

About Intermedia

Intermedia is a one-stop shop for cloud business applications. Its Office in the Cloud™ suite integrates the essential IT services that SMBs need to do business, including email, voice, file syncing and sharing, conferencing, instant messaging, identity and access management, mobility, security and archiving. Office in the Cloud goes beyond unified communications to encompass a wider breadth of fundamental IT services, delivered by a single provider.

Think of Office in the Cloud as your “Business Cloud Platform.” Intermedia’s services are integrated into its HostPilot® Control Panel. This means you have just one login, one password, one bill and one source of support—which makes the cloud easier to use and more efficient to manage. Intermedia further streamlines the experience by offering enterprise-grade security, a 99.999% uptime guarantee and 24/7 phone support with typical hold times of less than 60 seconds.

Intermedia serves over 60,000 businesses and has more than 5,000 active partners, including VARs, MSPs, telcos and cable companies. Its award-winning Partner Program lets partners sell under their own brand with full control over billing, pricing and every other element of their customer relationships. Intermedia is the world’s largest independent provider of hosted Exchange.

Intermedia has over 600 employees worldwide who manage numerous datacenters to power its Office in the Cloud—and who work to deliver customers and partners Intermedia’s Worry-Free Experience™.

Got any questions? Learn more
at [Intermedia.net/Hosted-PBX](https://intermedia.net/Hosted-PBX)



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