



Connecting customers in out-of-the-way places

- **Business needs** – Plentiful bandwidth to support a network service company's unifying communications platform.
- **Networking solution** – AT&T Business Fiber and AT&T Switched Ethernet on Demand make it easy to create comprehensive communications infrastructures for ZTelco clients everywhere.
- **Business value** – Enables optimal, easy to manage operations with reliable connectivity, even in remote locations.
- **Industry focus** – Telecommunications
- **Size** – More than 1,000 connected buildings

About ZTelco

ZTelco is a network services company that simplifies communications infrastructure for customers, so they can focus on business. ZTelco is a customer-focused company that works to maximize performance. It provides top-rated internet service and premium digital phone systems for customers in Southern California and beyond. ZTelco customizes solutions to fit customer needs. Customers enjoy peace of mind knowing they're on a secure and reliable fiber network, backed by enterprise-grade hardware and best-in-class customer support.

The situation

The company was one of the first to perfect an advanced digital phone system. The system saved money and simplified operations for customers with adequate bandwidth. ZTelco needed to deliver robust connectivity to customers in out-of-the-way places. They also needed a fiber provider that was flexible, who would work with them under tight deadlines.

Solution

ZTelco chose AT&T Business Fiber and AT&T Switched Ethernet on Demand solutions, which have made it easy for the company to provide phone, text, and video conferencing technology for its customers. Combined, these solutions have delivered a much wider area of coverage and the flexibility to meet bandwidth demands when it's needed most. This ultra-fast, highly reliable connectivity solution has enabled them to deliver optimal operations to their customers, even in remote locations.

Growing a business from the ground up

Jake Hansen, president and CEO of ZTelco, started the company in his garage while working as a technician for an IT company. What began as a few consulting gigs during his lunch hour soon turned into a full-time job. "Eventually, I got so busy at my moonlighting job that I was making more money than at my regular job," Hansen said.

Building the business took time and energy. For years Jake worked 15-hour days doing network consulting and setting up servers. In the evenings and on weekends, he designed and perfected a Voice over IP (VoIP) phone system.

"I'm also a programmer, so in my spare time I was working on the first version of our phone system and finally got it all working," he said. He eventually pitched the digital phone system to one of his networking clients, a service station franchise owner.

VoIP phone technology generates savings

In a time when few people had heard of VoIP phones, Hansen convinced his client to try his system, selling her on the added benefit that she could save \$20 a month on her phone bills. The client was so impressed with the possibilities that she asked Hansen to pilot the technology in three of her gas stations.

The service worked well. So well in fact that it led to installations in all 30 of her San Diego gas stations, and eventually in 300 more service stations throughout California. This was a game changer for Hansen. When he signed the contract, he hired his first employee, bought an RV, and spent the next year living in the RV and installing ZTelco VoIP up and down the West Coast.

"That was our first customer, and that franchisee is still a customer to this day," Hansen says with pride. ZTelco's installations reduced each station's phone bill by far more than the 20 percent that encouraged the customer to sign, but by about 80 percent. "We ended up saving the franchisee something like \$30,000 a month," he said. ZTelco hired a salesman, and the Voice over IP company was off and running.



Growing pains lead to innovation – The ZTelco Network

As ZTelco grew, Hansen moved operations from his garage into an office building. Ironically, he found that the new location lacked the bandwidth needed to use its VoIP service.

Challenge met opportunity when Hansen discovered that a colleague in a nearby office had a building with fiber internet connectivity, so ZTelco built its first microwave link to bring fiber connectivity to his office. “We got up on the roof, we put up a radio relay, and shot the fiber from his building to ours to get reliable bandwidth,” Hansen said.

The company soon had a customer with a similar problem. The infrastructure in his neighborhood lacked the bandwidth for his VoIP service to operate as it should. Hansen built a microwave link for that customer. Eventually, he built many links for other customers who could not get good bandwidth.

“AT&T Business really helped us accelerate our growth beyond what we’d be able to do ourselves.”

Jake Hansen
Founder and President,
ZTelco

In search of robust internet connectivity

As its VoIP service grew, ZTelco began getting internet service requests from companies that were not VoIP customers. Hansen knew they needed a top-tier telecommunications provider to deliver robust connectivity.

ZTelco chose AT&T Business Fiber and microwave radio links to provide last-mile connectivity to customers who only wanted internet service. He told the potential customer, “I guess we’re an internet service provider now, too.” ZTelco was soon delivering service to dozens of companies.

“We started lighting up with AT&T Business because, in order to get the microwave system to work, we have to have a tower site, and the tower sites need a really robust internet connection,” Hansen said.

“That’s been working really well for us. We now have maybe 1,000 buildings that we have lit up with our microwave service, and most of those customers also have our Voice over IP service as well.”

Flexibility and low latency

ZTelco also uses AT&T Switched Ethernet on Demand, an intelligent networking system that has enabled the company to add or change its services as needed. “We buy Layer 2 Network on Demand and layer our own service on top of it,” Hansen said.

To bring the concept to life, Hansen illustrates with a water analogy. “We’re using the AT&T pipes but we’re pumping our water through them,” Hansen said. “AT&T

Switched Ethernet ServiceSM with Network on Demand is awesome because you can switch it any time you want without a lot of red tape.”

Other fiber providers often require orders to be placed 30 days in advance. “They’re not flexible at all. The AT&T Business flexibility is really appealing and makes it the best option most of the time.” Hansen also appreciates the ability AT&T Business offers for delivering service to new areas. “If we specify an address, 99 percent of the time AT&T can go and build into it, whereas a lot of the other providers can’t do it.”

Hansen also likes the dependability and low latency of AT&T Business services. “The reliability has been really good, too; we’ve never had any problems with service outages, which is critical to us. I can’t say that for some of the other providers that we have.”

ZTelco works to keep network latency under 10 milliseconds. “AT&T Business provides one millisecond of latency most of the time, so that’s really critical for our high demand applications like Voice over IP and gaming. The lower the latency, the better the experience that customers will get,” he said.

Easy-to-manage communications platform

Twenty years later, ZTelco still uses a system loosely based on Hansen’s original technology. “Obviously, since then I’ve hired a lot of people who are way smarter than I am to work on it,” he said. “We have a huge dev team working now that has put over 50,000 hours of development time into our new system.”

That system is ZTelco’s new product called RingPlan™. RingPlan was designed to help companies unify

communication processes to save money and power growth. With RingPlan, ZTelco can now integrate phone service, text messaging, video conferencing, and fax into one easy-to-manage platform. Hansen is also working on providing chat service, to be released later this year.

The strength of its products and a focus on customer service has enabled ZTelco to build a diverse clientele over the past two decades. Its customers include law firms, medical offices, restaurants, non-profit organizations, insurance companies, real estate firms, call centers, and many more.

Doing well by doing good

The COVID-19 pandemic hit ZTelco’s restaurant customers hard. Hansen began offering deep discounts to those most at risk of losing their business. The company also helped to set up a national hotline for food banks. They donated their time and expertise to create an automated system for Catholic Charities of San Diego which helps people in need find food.

“We developed a system to make it fast and easy to get the word out with the minimum amount of work for their staff,” he said. The system lets callers register with Catholic Charities and they receive calls or text messages about the nearest food bank and when food is available.

Catholic Charities was so happy with Hansen and his staff’s volunteer work that they became a ZTelco customer. “We didn’t go in there trying to make money; we went in there to help them and provide a service that would help others,” he said. “And in the end, that kind of turned into a great thing for us because we got a new customer.”

Accelerating growth

Hansen is grateful for the support his company receives from AT&T Business. “It has really enabled us to expand our reach. It puts us in a much bigger pond, allowing us to operate with the support of a multi-billion-dollar company’s network,” he said. “AT&T Business really helped us accelerate our growth beyond what we’d be able to do ourselves.”

He said ZTelco’s AT&T Business account team is available to assist with his company’s needs. “We started out with other providers, but our AT&T Business account team did a good job and we now spend way more money with AT&T Business than we do with the other providers combined,” he said. “Really early on, AT&T Business became the best choice for us most of the time.”

“AT&T Business is legit. It’s super easy to do business with them. They have a solid network, and it works well; it’s the top tier,” he said.

Going nationwide

AT&T Business continues to help ZTelco win new business. ZTelco is currently in discussions with a mining company that operates in a remote location with an unreliable fiber network. “We’re probably

going to win this lucrative deal because of the fact that AT&T Business can build to these guys, which I think is great,” he said.

Hansen’s staff is working to create a database of AT&T Business buildings with fiber to use as part of a quoting tool. “When we put in an address, it will automatically check our database, and if we can get AT&T service there, then we’ll automatically suggest AT&T service.”

ZTelco is in a rapid expansion phase, thanks in part to its RingPlan offering. “Our plans are to grow that nationwide, and while we’re doing it, we’re going to try to grow our fiber backbone with AT&T Business at the same time,” Hansen said. “We have a product now that can scale up at the touch of a button, and now it’s just a matter of making people aware of it.”

The company plans add value for its customers by expanding its capacity to deliver Unified Communications as a Service (UCaaS). “AT&T Business is really helping us reach our goals of becoming a true UCaaS provider,” Hansen said.

From its early efforts to help customers in remote locations with advanced digital telephony to being able to support total digital transformation, ZTelco remains at the forefront of delivering innovation to its customers.