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# *CASE STUDY*

A series about Canopy wireless broadband in the marketplace.



**LEADING REGIONAL ISP SETS A NEW  
STANDARD FOR BROADBAND SERVICES —  
MAKING WIRELESS THE FIRST CHOICE  
FOR ITS CLIENTS: RAPID SYSTEMS  
LAUNCHES WIRELESS DSL SERVICES IN  
HIGHLY COMPETITIVE MARKET WITH  
STUNNING SUCCESS**



# SYNOPSIS

Since 1994 Rapid Systems has been serving the Internet needs of business and residential clients in the Southeastern United States. Today, the company is a leading Internet Service Provider (ISP) that offers a full spectrum of Internet and data connectivity solutions including standard and wireless DSL, frame relay, ATM, T-1 and dial-up services to a broad range of customers in Florida, Georgia, South Carolina, North Carolina, Kentucky, Tennessee, Alabama, Mississippi and Louisiana.

In 1998, Rapid Systems expanded their services portfolio and began offering DSL services to clients through a wholesaler agreement with the Local Exchange Carrier (LEC). These services along with an unrelenting focus on customer satisfaction enabled the company to increase their customer base and reach new and exciting business opportunities. As the company became more and more successful so too did the competition. Unfortunately, as a wholesaler of a DSL product Rapid Systems could do little in the way of product differentiation and was all too often at the mercy of others who were responsible for management and operations of the last mile infrastructure.

Recognizing that the power over their own network and ultimately the fate of their company was outside of their control — and with a competitor no less — Rapid Systems embarked upon a search for a high quality, flexible and cost-effective wireless DSL product. No longer would they lose long-time customers because of issues such as ported numbers, CLEC transfers, poor service and even confusion on the part of the customer as to who was their actual service provider. Rapid Systems looked for a technological edge that when coupled with its renowned service excellence would secure the beachhead to grow its business. After extensive research and testing, Rapid Systems' search led them to Motorola's Canopy™ wireless broadband platform. Soon thereafter, the company launched its wireless DSL service under the brand name *RS|Air*.

Now two years later, *RS|Air* service is available in a 600 square miles radius and provides business and residential services to the communities of Tampa, Clearwater and St. Petersburg, Florida. Rapid Systems was also recognized by the Florida business community as one of *Tampa's Top 50 Companies*. "Our vision is clear," said CEO and co-founder, Dustin Jurman, "Owning the last mile infrastructure is a key component to today's Internet Service Provider. In order to succeed you must be in control of your own destiny."

## **LEADING REGIONAL ISP SETS A NEW STANDARD FOR BROADBAND SERVICES — MAKING WIRELESS THE FIRST CHOICE NOT THE LAST FOR ITS CLIENTS**

### **RAPID SYSTEMS LAUNCHES WIRELESS DSL SERVICES IN HIGHLY COMPETITIVE MARKET WITH STUNNING SUCCESS**

#### **A FIERCELY COMPETITIVE MARKET**

Tampa is home to Rapid Systems one of Florida's information industry leaders and an Internet Service Provider focused on delivering high speed broadband access to business and residential customers. While collaborative communications are new to most companies, Rapid Systems has been a high performing supplier of a full host of Internet services for over eight years and already knows how to give a company a competitive information advantage.

Competition in Tampa — *one of the Nation's most broadband-wired cities* — is stiff. According to a recent survey by AOL, Tampa is the second most broadband wired city in America ahead of such cities as Boston, Houston, Charlotte and Los Angeles. This ranking is based on the number of people using broadband connections, how long they have had them and how many people expect to get broadband in the next 12 months.<sup>1</sup>

In the words of Rapid Systems CEO and Co-Founder, Dustin Jurman, "We're in a market that is nothing but competition. We're contending on a fierce level with a number of ardent competitors. Each of who are waging an intense war for the broadband subscriber." This fact is no surprise given that Tampa was one of the first markets in the nation to deploy DSL as well as the first to trial market high-speed Internet cable service.

The Tampa Metropolitan Statistical Area (MSA) is the twentieth largest MSA in the United States as ranked by the Federal Communications Commission and consists of Hernando, Hillsborough, Pasco and Pinellas counties and includes the cities of Tampa, St. Petersburg and Clearwater, Florida. With a population exceeding two million people and over one million households, the Tampa area ranks second among all Southeastern metropolitan areas and first in the State of Florida in terms of population.

From a business perspective, Tampa shines equally as well and is ranked among the *Top 60 Cyber Cities* by the American Electronics Association and the NASDAQ as the best locations for high-technology companies in the United States. The area represents an enormous broadband opportunity for service providers seeking to win the hearts and minds of subscribers.

Business in the Tampa area is anything but a slam-dunk for this hometown success. "Market share of even the largest broadband service providers is being eroded by the CLEC wars," said Jurman. "LECs are selling well

#### **ABOUT THE COMPANY**

Headquartered in Tampa, FL, Rapid Systems is a full service Internet Services Provider. The company was founded in 1994 and provides DSL, frame relay, T-1 as well as IT services and web hosting to a nine-state region in the Southeastern United States. Rapid Systems' state-of-the-art network, facilities and technical resources are second to none in the delivery of broadband services. Company engineers tenaciously monitor, maintain, and upgrade the network, delivering to customers some of the most advanced technologies, services, support, hardware and software available in the industry today. At Rapid Systems they are all about the Net.

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[www.rapidsys.com](http://www.rapidsys.com)

#### **CONTROLLING YOUR DESTINY**

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<sup>1</sup> Tampa Tribune, May 2003

below wholesale rates making it difficult to support residential markets. And as an ISP, you can't differentiate yourself if you are just relying on the LEC's or cable company's last mile infrastructure."

With thousands of customers on its network, Rapid Systems has become the leading ISP in the Tampa area. After nearly two years of offering DSL service through its wholesale agreement, Rapid Systems wanted to dif-

***"OWNING THE LAST MILE INFRASTRUCTURE IS A KEY COMPONENT TO TODAY'S INTERNET SERVICE PROVIDER. IN ORDER TO SUCCEED YOU MUST BE IN CONTROL OF YOUR OWN DESTINY."***

DUSTIN JURMAN, CEO AND CO-FOUNDER, RAPID SYSTEMS

ferentiate itself from its competitors and previous suppliers. "For nine years, someone else was in the driver's seat and we weren't in control of our future," proclaimed Jurman. It was important to Rapid Systems to protect its reputation for service excellence and network control and maintenance were important aspects of this service paradigm.

"When a repair technician from the DSL supplier visited a customer's site, they often times created a high degree of confusion because the customer didn't really realize who they're getting their service from,"

said Jurman. "Even though it's our network and we use the LEC for the last mile; when the service technician shows up onsite he's essentially wearing a competitor's shirt and we simply had had enough of that."

In some situations, Rapid Systems was at the mercy of the network provider to solve DSL service issues. Jurman mentioned one example where a client was unable to get their DSL back into service. "We had one long-time DSL customer where technicians spent three or four days troubleshooting the network before they gave up without solving the problem." Ultimately it turned out the issue was spatial interference. The company was supplying a T-1 to one of its customers in the same line bundle as the DSL to Rapid System's client. The interference from the T-1 circuit kept the DSL line from connecting. "Giving up on customer issues is not an option for Rapid Systems," said Jurman. "We are there to solve problems for the customer, not make their lives more difficult."

For the life blood of the company to continue to grow and thrive in a fiercely competitive market and to provide the levels of service demanded by Rapid Systems on behalf of its customers, it became vital to find and deploy a network offering that was 100 percent owned and operated by the company. To Rapid Systems, having full control of the network end-to-end meant a net positive impact on customer satisfaction. "We can achieve significantly higher levels of customer support and ultimately satisfaction when we are in full control," stated Jurman.

### ***DIVING INTO THE WIRELESS BROADBAND ARENA***

Jurman's team of engineers began testing a number of wireless broadband solutions. Rapid Systems looked at multiple vendors, all told over a half dozen. It was not a simple process.

During mid-deployment of one vendor's solution, Rapid Systems noticed that the equipment was performing well below the vendor's written product specifications. Jurman and his team brought these discrepancies to the vendor's attention. "They asked me, 'Is it faster than dial-up?'" recalled Jurman. "It infuriated me. I've never been so mad in my life." In the end, the vendor admitted that the equipment didn't quite meet specifications and asked Rapid to return it to their warehouse for a full refund.

Soon thereafter, Rapid Systems contacted Motorola about its Canopy wireless broadband solution. The Rapid Systems team made a two-day visit to the Motorola Wireless Broadband Laboratory in Schaumburg, Illinois and really examined the product thoroughly. Jurman discussed with Motorola his requirements for performance,

service, reliability and cost as well as what the equipment needed to do in the future. "I asked Motorola, 'Are you willing to commit to me that the Canopy product is as stable as or better than my DSL or frame relay networks?'" recalled Jurman. "They said yes." The Canopy system boasts a mean time between failures of greater than 45 years.

Eight months later, after beating the product up, putting it through rigorous testing and ensuring it was what it said it was, Rapid Systems selected Motorola's Canopy wireless broadband system.

### ***BUILDING A BUSINESS ON WIRELESS DSL***

In mid 2002, Rapid Systems officially launched commercial service of its wireless DSL product. Marketed under the brand *RS|Air*, the fixed wireless service is engineered for quality of service and interference free transmissions. *RS|Air* quickly became a top seller for Rapid Systems. "Even though we continue to provide standard DSL services, most of our customers would prefer the *RS|Air* product for a variety of reasons," stated Jurman. "We say, 'Look, here's your choice – DSL or *RS|Air*.' Most customers immediately select the *RS|Air* offering."

"We are delivering a completely different product from DSL," noted Matthew Morrison, wireless installation manager for Rapid Systems. "It's no longer a price-point focus on the product. We're actually delivering a value service."

Morrison added, "From a purely technical standpoint, through the Canopy system we are able to offer higher uploads to our customers than any other cable or DSL product. From a reliability standpoint, because we control the entire infrastructure from end-to-end we are actually able to deliver a more reliable solution than when we rely on someone else's last mile infrastructure."

"We'd rather have a customer on *RS|Air* because we can control the entire network and the customer experience is consistently superior," rejoined Jurman. He added, "As a traditional ISP, we have to jump through so many loops with the network provider that it is really difficult to determine how much we make in terms of profits from our DSL services. That's really a dramatic statement but there are so many hidden costs in doing business with another network provider. It doesn't take a rocket scientist to figure out you have a huge cost savings delivering them on your own network."

And Rapid Systems has been able to extend those cost savings to their customers. "It's very hard to deliver a good product when you are cost constrained," said Jurman. "To that end," he said, "we've replaced almost all T-1 customers with *RS|Air* and taken them from \$800 to \$900 per month service charge to a \$300 per month service charge. At \$300 per T-1, a customer is getting a tremendous value for their buck. That's a 300 percent

cost savings. Amazing! I don't know any customer who wouldn't be thrilled with that offer."

***"WIRELESS IS NOT YOUR LAST CHOICE.  
IT'S YOUR FIRST CHOICE."***

MATTHEW MORRISON, WIRELESS INSTALLATION MANAGER, RAPID SYSTEMS

But it wasn't always as simple a sale as it is now for Rapid Systems. Early on, there were frequent misconceptions about *RS|Air* because many customers had poor experiences with 2.4 GHz products from other vendors. These fears included such things as vulnerability to security breaches, "sniffers" and

reliability problems. Morrison acknowledged, "One of the most important things we had to do was to change the overall perception of wireless broadband. Unfortunately, there have been some products that were really designed for indoor usage being used in the outdoor access space. We're involved in the day-to-day education of our customers to correct these perceptions and introduce the *RS|Air* service."

Rapid Systems is now able to provision *RS|Air* broadband customers in forty-eight hours or less versus the three to five day minimums for DSL. "We have the ability to quickly get to a customer's location in emergency situations and correct any problems," stated Jurman. "In fact, we had a customer who had their lines ported to a CLEC and didn't realize that this would disconnect their DSL lines. It happens a lot. We got out there, installed *RS|Air* and got them back up and running in no time at all."

"Wireless is not your last choice. It's your first choice," quipped Morrison.

**A COMPREHENSIVE BUSINESS & CONSUMER OFFERING:  
SOMETHING FOR EVERYONE'S BUDGET**

*The Canopy wireless broadband platform powers RS|Air's network which provides a variety of business and residential packages that include choices for speed, e-mail accounts and hosting services.*

**BUSINESS CLASS INTERNET ACCESS**

**TORNADO**

Speeds: 512K upload/download  
Email: 5 accounts  
Hosting: 25 Megs  
Monthly Cost: \$99\*

**HURRICANE**

Speeds: 1 Meg upload/download  
Email: 15 accounts  
Hosting: 50 Megs  
Monthly Cost: \$199\*

**TYPHOON**

Speeds: 1.5 Megs upload/download  
Email: 30 accounts  
Hosting: 250 Megs  
Monthly Cost: \$299\*

**RESIDENTIAL INTERNET ACCESS**

**TORNADO**

Speeds: 512K upload/download  
Email: 1 account  
Hosting: 5 Megs  
Monthly Cost: \$49\*

**HURRICANE**

Speeds: 1 Meg upload/download  
Email: 1 account  
Hosting: 5 Megs  
Monthly Cost: \$59\*

**TYPHOON**

Speeds: 1.5 Megs upload/download  
Email: 1 account  
Hosting: 5 Megs  
Monthly Cost: \$69\*

\* Installation fee varied by type of facility ranging from \$99 - \$250. Free equipment rental. Prices subject to change without notice. (May 2004)

### ***ONE SUCCESS AFTER ANOTHER***

Since their initial deployment of the Canopy wireless broadband platform, Rapid Systems has deployed a total of nine towers covering Tampa, St. Petersburg and Clearwater. The *RS|Air* service is now offered with an additional 1 Mbps and 1.5 Mbps symmetrical speeds.

Rapid Systems continues to garner significant customer wins with *RS|Air* service. With the Canopy system, Rapid Systems is able to offer a service that is more competitive on a price per bandwidth basis. "The business and residential customers alike completely understand the benefits of what we are delivering and are delighted with the service," stated Morrison.

Today Rapid Systems supplies *RS|Air* to several city governments in the area. "In addition to being able to supply government entities with *RS|Air*, we see a whole host of other new markets opening up," said Jurman. "We are now looking at application service providers and private networks as well as services to special events and construction sites."

"We have truly differentiated ourselves from the competition," stated Jurman. "We have an incredibly stable platform, faster installation times than any product out there, personal installations, consistent bandwidth and performance plus last but not least, superior management of network components."

"We've proven that owning your own infrastructure is key to ISP profitability," said Jurman. "We're doing what the competition can't and generating positive profits for our company."

***For more information about Motorola and wireless broadband and how the Canopy system can extend your network and services, increase your customer base, improve customer satisfaction, provide competitive advantage and deliver outstanding ROI, call 1-866-515-5825 / 800-795-1530 or visit us at [www.motorola.com/canopy.com](http://www.motorola.com/canopy.com)***