

Texan Hyundai—Hosted VOIP | Texas Auto Retailer Finds Silver Lining in the Cloud



Texan Hyundai (www.texanhyundaiiofrosenberg.com) is an automobile dealership based in Rosenberg, Texas, a suburb of Houston. Its operations include new and pre-owned vehicle sales, service, parts and financing.

The Challenge

Texan Hyundai General Manager Terry Luker knows how to build out a new car dealership; he has done it many times. But preparing to open Texan Hyundai during one of the worst automobile markets in history made the stakes higher than ever.

The National Automobile Dealers Association (NADA) estimated that at least 1,200 dealerships closed nationwide in 2009, as car sales plunged to half of what they were just one year earlier.

Enter Texan Hyundai. It had just secured its new location, a vacant dealership that had been stripped of almost everything. To buck the national trend and get down to business, Luker was faced with several pressing needs:

- A new phone system
- All the carrier services for local phone numbers, local and long-distance calling, and Internet connectivity
- New PCs and servers
- New data storage and backup
- All the software needed to run the business
- And the IT staff to manage it all.

Luker knew how expensive and time-consuming all that was going to be. For Texan Hyundai to have its best chance to succeed, he had to find a better, cheaper, faster way to launch his new store.

The Solution

Luker found that better way in the “Cloud,” guided by Terrapin Solutions (www.terrapin-solutions.com), an experienced tech firm with a highly consultative approach. To speed deployment and cut costs, Terrapin worked with Luker to customize a combination of remotely managed IT and communication services. Plugging in to these “cloud” services dramatically decreased Texan Hyundai’s capital expenses and time to deployment, while at the same time giving its staff more control, visibility, performance and features.

For a cost-effective and feature-rich alternative to a premise-based phone system, Terrapin selected the Hosted VoIP platform of Appia Communications (www.appiaservices.com), a nationwide provider of managed communication and networking services. Terrapin’s team quickly deployed a complete Cisco router and switch infrastructure, topped it off with Cisco IP phones on every desk, and tied everything back to Appia over a private, high-capacity MPLS network. With all the telephony switching intelligence now sitting in the cloud, Texan Hyundai got a next-generation phone system at a fraction of the cost of alternatives.

To eliminate the need for expensive PCs, servers and software, Terrapin selected a cloud-computing platform from Houston-based Virtual-Q (www.virtual-q.com). Terrapin’s team installed HP thin-client terminals instead of PCs, and moved all the software and server functionality to Virtual-Q’s redundant data centers. Virtual-Q’s unique grid-based computing platform even enabled Texan to run its mission critical enterprise resource planning (ERP) and customer relationship management (CRM) applications better than ever before.

The Results

The impact of the Cloud has been huge for the Texan Hyundai team. Luker estimates they cut capital expenditures by over \$200,000 and opened their store three full weeks sooner than with a traditional build-out. Their applications are now running faster than ever before, and with the included support, they will save over \$100,000 per year in IT expenses at each location. Perhaps most importantly, Luker and his team are free to focus on what they do best: selling cars and serving customers.

Next on Luker’s plate? Do this at four more locations in and around Houston over the next six months. With cloud solutions from Terrapin, Appia and Virtual-Q, Luker has

been able to accelerate his plans for expansion, moving forward faster for less money. Luker knows that his industry must change the way it does business. To compete in a very tight market for sales, he'll have to reduce costs while maintaining a very high level of customer service. He says the IT budget is a great place to start.

"These types of new technology—hosted VOIP, software as a service (SaaS), virtual desktops and cloud computing—could help change the future of new car dealerships," Luker said.