Cisco Capital | Case Study | Fusion Networks

#### **CISCO** Capital

# Cisco Capital helps NZ systems integrator launch into cloud



### Background

Based in New Zealand, Fusion Networks is a systems integrator providing a range of services, including consulting and engineering for network and communication infrastructures. The company was founded in 2009 and has enjoyed consistently strong growth of around 30 percent per year. With a presence in Auckland, Christchurch, and Wellington, Fusion Networks provides services to domestic corporate and government clients. The company is also a Cisco partner, and uses a range of Cisco technologies in its core networks.



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#### **Customer Name:**

Fusion Networks www.fusionnetworks.co.nz

**Industry Sector:** 

Information technology

#### **Cisco Technologies:**

- Cisco Unified Computing System blade server environment
- Cisco SMARTnet Service

### Summary

Cisco Capital's involvement in the deal allowed Fusion Networks to:

- Acquire the end-to-end infrastructure it needed while preserving cash
- Better manage budgets and cash flow
- Strengthen its relationship with Cisco
- Access long-term funding to support business growth

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### The Challenge

Fusion Networks previously provided cloud services via third-party infrastructure. This was cost-effective when the company was smaller, but as it grew, it made sense for Fusion Networks to invest in its own cloud infrastructure. This would allow it to scale affordably and retain full control over its virtual environments and customer data.

Purchasing the Cisco and thirdparty equipment needed to build a robust cloud offering would require a significant upfront investment. However, while Fusion Networks was seeing strong profit, it was also using a significant amount of capital expenditure to support its rapid growth. The company decided to finance its new infrastructure and sought a long-term funding partner that could help it meet its immediate technology requirements while supporting its longterm objectives and future growth.

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## Cisco Capital Solution

After considering bank lending and other financiers, Fusion Networks was introduced to Cisco Capital by Cisco. According to Fusion Networks' Managing Director Andrew Gurr, Cisco Capital took time to understand the company's financing and technology requirements and longer-term business goals. As a result, the integrator decided on a three-year finance lease from Cisco Capital.

Through the lease, Fusion Networks acquired a Cisco Unified Computing

System blade server environment supported by Cisco SMARTnet Service, as well as EMC storage. The company makes affordable monthly repayments and at the end of the lease will own the equipment outright for a nominal fee.

### The Benefits

Fusion Networks' new cloud services went live in March 2014. The Cisco Capital lease allowed the company to acquire the entire end-to-end infrastructure it needed – including Cisco and third-party equipment – to deliver its premium cloud services.

Because Cisco Capital is part of Cisco, it understood Fusion Networks' technology requirements and the value of the Cisco technology. This allowed Cisco Capital to tailor a financing solution to Fusion Networks' current and future needs, and offer highly competitive interest rates to keep the repayments as low as possible.

"Cisco Capital were just so easy to work with," says Gurr. "They were the only ones that came to us with a longer-term position on what they could fund based on our current financial position. That gave us confidence and helped us make decisions about when and how we would fund our future technology needs."

According to Gurr, Cisco Capital also helped Fusion Networks strengthen its relationship with Cisco. "They were quick with the paperwork and very engaged throughout the process, proactively working with our technology suppliers, including Cisco and others, to help us push through our orders," he says.

Making affordable monthly repayments rather than investing upfront has enabled Fusion Networks to better align operating costs with revenue. This is helping the company to smooth cash flow and manage its budgets effectively. Importantly, Fusion Networks now has access to flexible, tailored financing and a long-term funding partner that will support its business into the future.

"As a company, we have some fairly big aspirations, and I'm confident Cisco Capital will be the financing partner we need as we continue to grow," Andrew Gurr, MD, Fusion Networks

For more information about how Cisco Capital can help your organization acquire the technology it needs, visit **www.ciscocapital.com**.