



8x8, Inc.

Flower Patch Cuts Communication Costs by 80% Using 8x8 Virtual Office Hosted IP Phone Service

SUNNYVALE, Calif., Sep 28, 2009 (GlobeNewswire via COMTEX News Network) -- Begonias, daffodils and daisies aren't the only things thriving behind the counter at Flower Patch, Utah's leading full service florist. Since the company deployed the 8x8, Inc. (Nasdaq:EGHT) Virtual Office hosted IP (Internet Protocol) phone solution seven months ago, the floral wholesaler is saving 80% off its monthly phone bill which had grown to a steep \$13,000 a month since opening its doors in 1977.

"It's not our first VoIP (Voice over Internet Protocol) solution, but it's definitely our best," says Flower Patch Sales Manager Parrish Gordon. "The efficiency we've gained with this system is phenomenal -- both in cost savings and in the way we can now work and interact with our customers on the phones and online."

At each of its nine physical locations, together with its corporate office, Flower Patch had relied on doing business and taking customer orders the traditional way. They hired employees based on each location's seasonally fluctuating demand for its floral services, with Valentine's Day and Mothers Day being its busiest time of the year. As much as they tried, it was simply a fact of doing business that when a busy day came, calls into their 13 seat call center inevitably were dropped while customers waited on hold for a florist to check on supply. And, there were times when customers wanted to place an order at a specific Flower Patch location and inadvertently found themselves on the phone with a florist miles away.

Moving To VOIP

Several years ago, Flower Patch adopted a call center model in an effort to have more control over service quality. Although there were cost savings (phone costs were down from \$13,000 to \$9,500), there were still gaps in efficiency that couldn't be ignored. Their first attempt at VoIP with a local provider put the business "in a very bad place" according to Parrish when, one Valentine's Day, the phones went dead. "We did get our costs down to \$5200/month when we moved over to the local provider, but it wasn't worth the loss of business and havoc we experienced that day. They just couldn't support us."

Parrish's business put some effort into finding a VoIP phone service provider that would help them "exceed the expectations of their customers" and their relationship with 8x8, Inc. began soon after.

"From our first phone call to the moment our new 8x8 Virtual Office phone service went live, it was just four days," says Parrish. 8x8 worked with Flower Patch to understand their needs and prepare the locations for a smooth transition. "The day the system went live, it took just eight hours from start to finish -- just in time for Mother's Day. Everything came together easily and without interrupting the business," continued Parrish, "and we have been reaping the rewards ever since."

8x8's Virtual Office VoIP phone service allows small businesses like Flower Patch to deploy a full-featured enterprise class phone system without running in the red. How? By using the existing broadband Internet connection businesses already have to deliver digital quality dial tone plus business class features remotely, on a hosted basis, the 8x8 Virtual Office solution eliminates the need for expensive, on-premise PBX equipment and saves the average company at least 50% on recurring monthly service charges. The combination of this doubling of resources, savings on upfront equipment charges, cost efficiencies of VoIP calls and the ability for business owners to configure their phones themselves without paying a hefty maintenance fee to have someone come in and do it for them is what prudent businesses today find very compelling.

New "arrangement" adds efficiency, reduces cost

For added flexibility, Flower Patch equipped all of its locations with 8x8 cordless IP phones, so florists no longer had to put down a call to check the store's cooler (where inventory is kept fresh to be used as needed) to be sure they can fill a request.

"It's all about efficiency," says 8x8 Chairman & CEO Bryan Martin. "8x8 Virtual Office is helping businesses save money so they can spend what they have in better ways. But, it is also giving them tools that, as a smaller business, they never had before. And it's these tools that are doing the most for their business and their customers."

Parrish can now reset greetings at all of his stores online in a matter of minutes instead of visiting each location to record the upcoming holiday reminders or in-store specials, giving the business a sense of continuity between locations that they never had before. "Each customer gets the same greeting no matter what store they call and, if by chance they haven't reached the right florist, we can get them to another location by simply dialing an extension. Many of our customers don't realize we are

spread out so far because Virtual Office allows us to operate flawlessly."

8x8 Virtual Office has brought Flower Patch's monthly communications cost to just \$1,700 from a whopping \$13,000. That's money that will help Utah's #1 rose retailer continue to help its customers delight, surprise, and touch people's hearts for years to come.

About 8x8, Inc.

8x8, Inc. (Nasdaq:EGHT) offers voice, video, mobile and web conferencing communications solutions for business and residential customers. These solutions leverage existing broadband Internet connections and cellular networks to deliver advanced features and digital quality phone service at a fraction of the cost of legacy, copper wire alternatives. Businesses of any size, configuration or geographic location can benefit from the cost, performance and operational advantages of VoIP technology. All 8x8 communications solutions carry little or no upfront investment, no maintenance or upgrade fees and no change in user behavior. For additional information, visit www.8x8.com.

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