

SMB Partner Program & ROI Incentives

Synapse® is your solution for on-going revenue year over year!

Synapse per System Pr	icing							
Average List Price	\$2,500							
Average Partner Cost	\$1,550							
Average Partner Revenue	\$2,250							
Average Revenue	\$700							
Average Gross Margin	31%							
VTech Investment in SMB	Partner							
Sales Training	Free!							
Technical Training	Free!							
Certification	Free!							
ICAM Direct Route	Free!							
Pre-Sales Support	Free!							
Post-Sales Support	Free!							
Leads & Referrals	Free!							
Software Upgrades	Free!							
Partner Investment in VTech								
Demo Kit*	\$899/\$999							



At VTech, our goal is to bring solid Partners on board with simple recruitment and certification steps. Our Inside Channel Account Managers and the entire Sales team strive to move Partners from onboarding to ongoing revenue generation! We aim to develop our Partners so they in turn select AT&T business phone products as the first and only choice when designing solutions for their SMB customers.

We endeavor to remove the clutter, streamlining our focus and setting our sights on productive Partners. This is an ongoing process for VTech's SMB Team, which involves understanding, listening and learning the selling strengths and challenges our Partners face each day.

We know that numerous vendors solicit Partners each month. We also know that selecting a vendor requires a serious investment in training and resources. We believe it's our job to demonstrate how our products fit into your business model—and to prove how you can attain a quick ROI. As such, we continually re-invest our efforts to identify relevant resources, training, support, marketing and the ROI requirements you need to select and commit to the VTech SMB Partner Program!

*Cost reimbursed after \$10K worth of Partner Purchases!

Revenue		Y1 Q1	Y1 Q2	Y1 Q3	Y1 Q4	Year 1	Year 2	Year 3	Year 4	Year 5	
Number of System Sales		1	2	4	6	13	18	25	32	38	
Synapse Sales Revenue		\$2,250	\$4,500	\$9,000	\$13,500	\$29,250	\$40,500	\$56,250	\$72,000	\$85,500	
Services 1x (Installation) Revenue	18%	\$405	\$810	\$1,620	\$2,430	\$5,265	\$7,290	\$10,125	\$12,960	\$15,390	
Services + Support (Recurring) Revenue	20%	\$450	\$900	\$1,800	\$2,700	\$5,850	\$13,950	\$25,200	\$39,600	\$56,700	
Total Partner Revenue		\$3,105	\$6,210	\$12,420	\$18,630	\$40,365	\$61,740	\$91,575	\$124,560	\$157,590	
Recurring Revenue as a % of Total Revenue		14%	14%	14%	14%	14%	23%	28%	32%	36%	
		MARGIN									
Assumed Margin on Product	31%	\$700	\$1,400	\$2,800	\$4,200	\$9,100	\$12,600	\$17,500	\$22,400	\$26,600	
Assumed Margin on 1 x Services	25%	\$101	\$203	\$405	\$608	\$1,316	\$1,823	\$2,531	\$3,240	\$3,848	
Assumed Margin on Recurring Services	50%	\$225	\$450	\$900	\$1,350	\$2,925	\$6,975	\$12,600	\$19,800	\$28,350	
Blended Gross Margin		33%	33%	33%	33%	33%	35%	36%	36%	37%	

The table above provides ROI examples only. To calculate your own Synapse ROI and managed services revenue <u>click here to access our ROI Calculator!</u>



2012

© 2012 VTech Communications, Inc. All Rights Reserved. AT&T is a trademark of AT&T Intellectual Property licensed to VTech Communications, Inc., San Antonio, TX 78219. Synapse® is a registered trademark of VTech Communications, Inc.