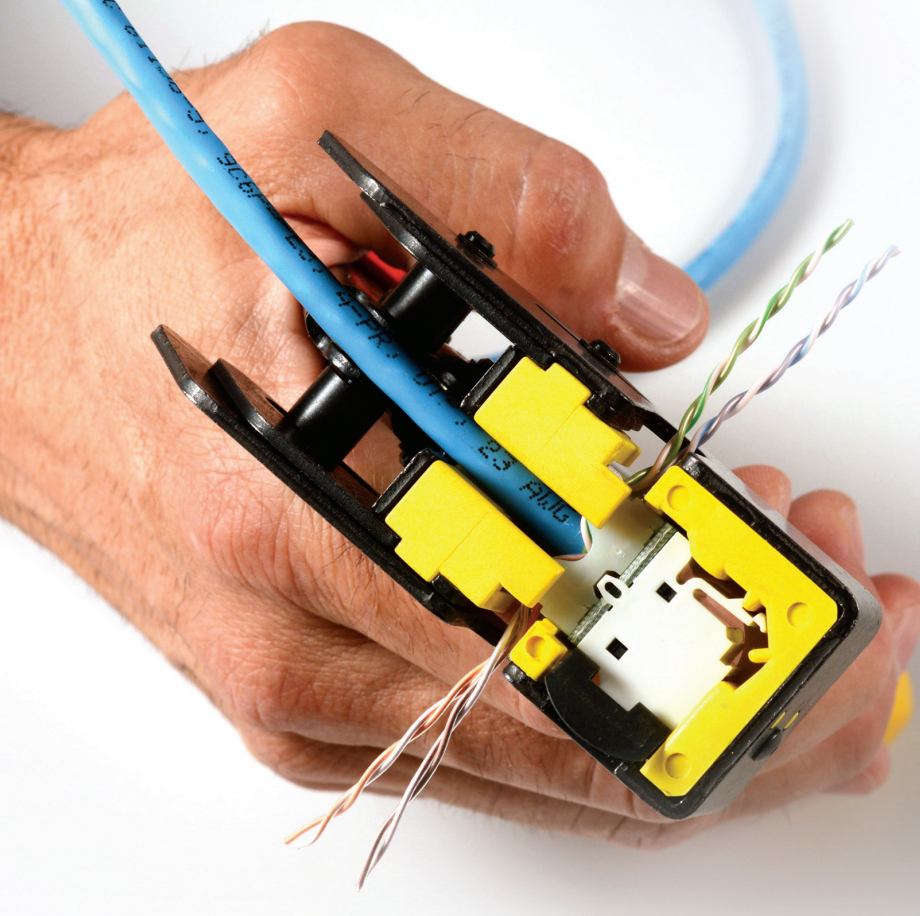


Cabling Contractor Best Practice:

The Impact of Termination Speed on Your Bottom Line

As a network cabling contractor, you need to keep an eye on product costs. When it comes to the cabling products you choose, you're balancing your customer's needs against what works for your bottom line.

But, it is important to remember that not every bottom line benefit can be measured in the product cost you see on your invoice. Sometimes, a product's ability to make you more efficient can outweigh the purchase price. Termination speed is a great example. As a contractor, you know that labor costs are a major piece of a cabling project – an area where your customers may be looking to cut their own costs. So, it makes sense that if you can bid lower labor costs than your competition, you stand to win more business.

Of course, you can't just go in there and slash your labor below the point of profitability. The key is driving labor efficiencies that give you the breathing room to profitably bid lower labor – simply put, you need to be able to get it done faster. If you can do the job faster than your competitor, you can bid lower, win the job, and still turn a decent profit.

Let's look at an example of a basic cat 6 UTP job and how termination times impact your profits. In this sample, we're looking at a theoretical 1000-drop cat 6 job. To make it easier, we're just looking at the terminations, not pulling cable or testing – just terminating jacks. Obviously, this is a very simplified look at just one aspect of a project, but it does a good job of showing how the amount of time saved per jack can add up to significantly better profits and better chances of winning for you. Let's start with actual termination times.

Outlet A can be terminated in 1 minute, outlet B in 2 minutes, and outlet C in 3 minutes. When it comes time to calculate a bid, you're not going to base your labor estimate on the exact termination time – that would leave no margin for error and would be totally impractical in the real world.

	Outlet A	Outlet B	Outlet C
Actual Termination Time Per Outlet	60 sec.	120 sec.	180 sec.

So let's say you add 2 minutes to the actual termination time for each outlet to calculate your bid estimate (as you can see in the table below). While you're estimating a lower labor cost on the bid for outlet A than for B or C.You are in fact giving yourself more room between your actual termination time and your bid estimate. For outlet A, your bid estimate is 3X higher than your actual time. Outlet B cuts it to 2X, and outlet C leaves just a 60% cushion. That extra room can have a real impact on your profitabilty.

	Outlet A	Outlet B	Outlet C
Actual Termination Time Per Outlet	**60 sec.**	120 sec.	180 sec.
Estimated Termination Time For Bid	**180 sec.**	240 sec.	300 sec.

The potential benefits to your bottom line become clearer when your start putting it to hours and dollars (as in the table below which continues the previous scenario). For outlet A, you calculated your bid on a 50-hour labor estimate, based on 1000 outlets at 3 minutes each. At let's say, $65 an hour, that's $3250. That's a good deal lower than both B and C – so you're putting yourself in a strong position to win.

But if you look at your actual termination time, the job may only take a little under 17 hours. It would take you 2 and 3 times as long with outlet B and C. Even though you bid your labor significantly lower with outlet A, you are actually way more profitable, making around $195 and hour vs. $130 and $108 for outlet B and C. By the time it is all said and done, you made as much money (and maybe more) with outlet A, but bid lower and won the job.

	Outlet A	Outlet B	Outlet C
Actual Termination Time Per Outlet	**60 sec.**	120 sec.	180 sec.
Estimated Termination Time For Bid	**180 sec.**	240 sec.	300 sec.
Total Hours, Bid Estimate	**50**	66.67	83.33
Bid at $65/hour	**$3,250.00**	$4,333.33	$5,416.67
Total Hours, Actual Term Time	**16.67**	33.33	50
Actual Hourly Rate	**$195.00**	$130.00	$108.33

While the previous example might get you thinking about the benefit of faster terminations, what if you could terminate that cat 6 jack in just 30 seconds? Under the same exact scenario as before, the ability to terminate outlet A in just 30 seconds doubles your profitability. You're making $390 an hour and absolutely killing your competitors. You're doing the job a little over 8 hours compared to 50 hours for the poor guy who chose outlet C.

	Outlet A	Outlet B	Outlet C
Actual Termination Time Per Outlet	**30 sec.**	120 sec.	180 sec.
Estimated Termination Time For Bid	**180 sec.**	240 sec.	300 sec.
Total Hours, Bid Estimate	**50**	66.67	83.33
Bid at $65/hour	**$3,250.00**	$4,333.33	$5,416.67
Total Hours, Actual Term Time	**8.33**	33.33	50
Actual Hourly Rate	**$390.00**	$130.00	$108.33

IMPACT OF TERMINATION SPEED

At this point, you may be thinking that estimating 30 seconds per jack is a bit on the aggressive side. Aggressive? Absolutely. Impossible? Not at all. In fact, Siemon offers two separate cat 6 outlets and termination methods that come in under that 30-second benchmark.

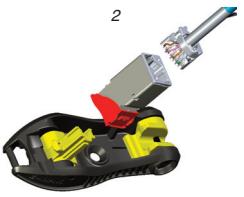
Utilizing Siemon's Z-MAX® 6, cabling contractors have clocked terminations times as low as 23.5 seconds. (**www.siemon.com/zmaxchallenge/winners**). Based on the exclusive Z-TOOL®, the Z-MAX line innovates the entire termination process, starting with the lacing process, which is typically the most time-consuming part of a termination. Rather than untwisting the pairs and arranging them into the four corners of a traditional jack in preparation for lacing, the Z-MAX linear lacing module actually clips to the cable jacket, holding the module securely while you align the conductors into the color-coded lacing channels. (Step 1) The linear layout of the conductor channels minimizes the need to untwist pairs and eliminates the pair-crossing common to traditional outlets. This intuitive design not only dramatically decreases lacing time, but also reduces the potential for miswires. Once the conductors are secured in the lacing module, all that's left is to trim the excess, (Step 2) insert the module into the outlet body and terminate with the one-step Z-TOOL (Step 3).

As fast as the Z-MAX/Z-TOOL process is, Siemon's MAX® TurboTool® is even faster. Designed specifically for Siemon MAX outlets, the TurboTool's simple and efficient operation is the key to its speed. You lace the conductors into the jack like you would with just about any other method, (Step 1) then just place it into the tool and squeeze. (Step 2) The tool seats and cuts all eight conductors in one action, with no impact, less hand fatigue, more termination consistency, and of course, ultra-fast terminations. In a recent contest, an installer set a new world record, terminating a Siemon MAX 6 outlet in just 19.3 seconds. See the record-setting video at **www.siemon.commaxturbotool/challenge**

Z-MAX Termination Steps

1

2



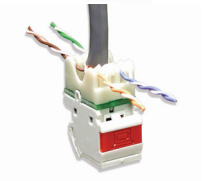
3

4

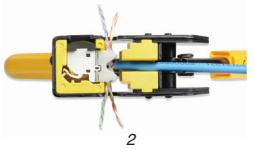
And, unlike some other tools, its steel construction ensures years of reliability on the jobsite and banging around in your truck. In fact, it's ratcheting action is based on the long-proven Siemon PT-908 RJ-45 compression tool – if you've been around this industry long enough you probably have one buried in the your toolbox somewhere. It is flexible, too. While other tools require different dies for each type of jack, this tool terminates all MAX cat 6 and 5e UTP varieties – flat, angled and keystone – without the need to waste time swapping dies – or even worse, getting to the jobsite and realizing that you don't have the right piece.

Let's face it. While it is pretty easy to show you how banging out 30-second terminations can make you more profitable on your next job, actually doing it is another matter. In the real world, you rarely get a chance to work under best-case conditions where you can consistently achieve world-record termination times: you're squeezed into tight closets, hunched under desks, or worse. Yet the point still remains that the faster you can terminate outlets, the more profitable you can be on the project. And, relatively speaking, a termination method that is twice as fast on a nice, clean workbench will be twice as fast on the jobsite.

MAX TurboTool Termination Steps



1



2

Worldwide Headquarters
North America
Watertown, CT USA
Phone (1) 860 945 4200 US
Phone (1) 888 425 6165

Regional Headquarters
EMEA
Europe/Middle East/Africa
Surrey, England
Phone (44) 0 1932 571771

Regional Headquarters
Asia/Pacific
Shanghai, P.R. China
Phone (86) 21 5385 0303

Regional Headquarters
Latin America
Bogota, Colombia
Phone (571) 657 1950/51/52

www.siemon.com