

The Rule of 78 and The Power of Recurring Revenue

If you are a telecommunications reseller, the path toward adding new service offerings can be a complex and time-consuming process. It takes resources to manage the ordering process, fulfill equipment, support the hardware, manage the data plans, and handle the billing. For these reasons, many companies are beginning to get more aggressive in their pursuit of managed service offerings and relationships with experts who can provide fully managed connectivity solutions.

MACH Networks (MACHNetworks.com) offers you the unique opportunity to take advantage of today's LTE network services, one of the fastest-growing segments of the telecommunications industry. Get to market quickly and efficiently by taking advantage of a fully managed service provided by a nationwide leader, and maybe most importantly, take advantage of the opportunity to reap the benefits of a recurring revenue model. Our fully managed wireless broadband solutions include Wireless Failover, SD-WAN, Day-1 Internet Access, POTS Replacement, and more. You bring us the sales opportunity, and MACH handles the heavy lifting. It really is that easy!

To completely grasp the vast benefits of a recurring revenue model, let's take a closer look at how ongoing sales of LTE-enabled solutions can provide a powerful long-term financial benefit for your business.



RECURRING REVENUE MEANS COMPOUNDING REVENUE Check-out our MACH's **Power of Recurring Revenue** calculator to the right, which leverages the economic model commonly referred to as the 'The Rule of 78' which emphasizes how recurring revenue compounds over time. Insert your estimates into the calculator and watch how quickly revenue grows over time by simply adding a fixed number of new lines of service each month.



RECURRING REVENUE IS POWERFUL REVENUE Recurring revenue is powerful revenue because it is predictable, and predictability is a stabilizing factor for any business. Cash flow is easier to manage, resource allocation smooths out, and the acquisition cost of finding new clients is spread out over an extended period. These factors all inherently make your business more valuable and easier to manage.



RECURRING REVENUE CONTRACTS REDUCE CUSTOMER CHURN Transactional sales are not intrinsically linked as an appreciable means to maintain good client relationships. Monthly recurring contracts, on the other hand, keep your name top of mind with the client, help you keep a pulse of their business, and evolving pain points; all effectivity giving you numerous business-led justifications to stay in contact.



MANAGED SERVICE MEANS YOU SELL, WE MANAGE Imagine the possibilities of not having to carry inventory, having expert engineering staff available for pre-sales, to custom configure, test, ship, and manage. Seem too good to be true? Not with MACH Networks, who has years of experience managing agent, VAR, and service provider relationships coupled with long-standing partnerships with both AT&T and Verizon.



RECURRING REVENUE INCREASES THE VALUE OF YOUR BUSINESS Recurring revenue provides a higher multiple when valuing your business. For example, In the telecom industry, one-time sales models usually result in a valuation of 1x annual revenue. However, recurring revenue typically results in a valuation of 3x your annual recurring revenue, therefore making a recurring revenue model a much more desirable proposition for any business owner.



Calculate Your Commission Potential

ENTER YOUR DETAILS HERE

New Lines of Service Sold/Month

MRC

Commission % Rate

10%

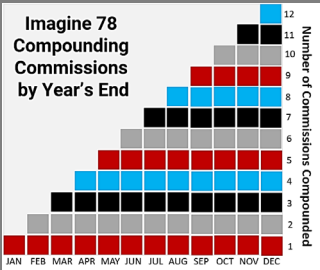
Year 1 Annual Billings

Year 1 Commission

Year 2 Commission

Year 3 Commission

TOTAL 3 YEAR COMMISSIONS



MACH Networks offers you the unique opportunity to take advantage of today's fast-growing LTE network services segment. Get to market quickly and efficiently by taking advantage of a fully managed service provided by a nationwide leader, and maybe most importantly, avail of the opportunity to reap the benefits of a recurring revenue