

# eNETWORK NEWS



## SIA 2008 Summit a Success

*This publication will be sent to members electronically and on the website*

*By: Claudia J. Betzner*

### Special points of interest:

- Interim Board Member Appearances
- Board & Roundtables Schedule for 2008, other actions
- **Summit Review**
- New Members
- State of the Association
- Winners from Summit
- Appreciation of Sponsors from Summit: AMCOR, Service Strategies, Hyper Microsystems, Liberty Parts Team

**The Mission of SIA is to serve as a forum where every member can enhance their business and to take collective action for the betterment of the industry whenever necessary.**

The 2008 SIA Summit was a big success according to the profiles completed by the Leaders attending this year's summit. Overall, how do you rate this conference? **4.5 with 5 being excellent.** What participants hoped to accomplish? **Networking, finding new partners, growth, new ideas.** Top three priorities of the SIA board of directors? **More members, More Vendors, More Partners, continue roundtables, Service Industry PR, Benchmarking & Metrics.** Attendees also said they wanted to continue to hold the Summit in Las Vegas since it is easy to get to and from and you have the most options for entertainment and leisure. Florida and New Orleans were also listed and came in second and third. The keynotes, the brainstorming sessions and the industry leader panel were some of the favorite sessions. Enoch Timothy received the highest marks for his presentation on workforce issues. Other feedback we received from participants was to start later, have more Q&A time for speakers and bring in a motivational

speaker or Economist. Sessions suggested for the 2009 program were Software Support issues and Technology Tools, which will be added to the 2009 summit. We are also working with Al Hahn for an add-on training event for your sales personnel on Sunday. The board will begin the planning process at the June meeting and has already adopted the suggestions of the participants.

**John Rinas of Northrop Grumman**, former President of SIA, chose to become a Board Member at Large as a result of his strenuous schedule in his new assignment at



NGC. He was awarded a Clock and a Waterman Pen. **Rich Guglielmo** was named

as the **interim President** of SIA. Rich is Chief Operating Officer of **AMCOR** and has over 35 years experience in the computer service industry holding many technical, sales and managerial positions since 1969 with IBM, StroageTek and Magnuson Computer. **Tom York**, Vice President Technical Support Americas for **IBM** was appointed to the SIA Board. Tom has responsibility for IBM's hardware and software technical support sales for the Americas market across all industries and channels as well as other business management functions. Tom has the executive responsibility for the Cisco service alliance in the Americas. **Bernd Appleby**, President and CEO **Terix Computer Company, Inc.** was also appointed to the SIA Interim Board of Directors. Bernd is founder and principal of Terix Computer Company, a nationwide provider of Data center support and maintenance services since 1997. Prior to his founding Terix, Bernd held positions with Pinnacle Data Systems where he sold Pinnacle's largest ever multi-year depot repair contract to Sun



*SIA welcomes  
20 new member  
companies since  
last May 30*

## New Members

**Past 10 months:**  
**ExpressPoint Technology Srvs. Inc.**  
**InStock, Inc.**  
**CDE Services, Inc.**  
**Washburn Computer Group**  
**Keystone Memory Gp LLC**  
**Wellington Technologies, Inc.**  
**Ingenico**  
**Cilicon Solutions**  
**Midrange Repair & Parts**  
**Prism Pointe Technologies**  
**Sonora Medical Systems**  
**Hyper MicroSystems**  
**Competitive Support Options**  
**Anacomp Multi-Vendor Srvs.**

**March & April**  
**Apex Computer**  
 Phil Chen, President  
 Cerritos, CA  
 562-926-6820  
 pchen@acsi2000.com

**Assurant Solutions (Canada)**  
**Jim Hamilton, Dir.**  
 Strategic Products & Serv Solutions

Toronto, Canada  
 416-733-3360  
 Jim.hamilton@assurant.com

**Networking Technologies & Support Inc.**  
 Bernard Robinson, President  
 Midlothian, VA  
 804-379-1800  
 brobin-  
 son@networkingtech.com

**Liberty Parts Team, Inc.,**  
 David K. Reinke, CEO  
 Madison, WI  
 608-268-7611

**IBM**  
**Tom York**  
 V.P. Technical Services  
 Americas IT Srvs.  
 Union, KY  
 877-202-9653  
**Tyork@us.ibm.com**

**Alexander Strategies**  
 Dr. Jim Alexander, President  
 St. James City, FL  
 239-671-0740  
 Alex@alexanderstrategies.com

**Have you hot linked to SIA on your website? You can get our logo at**  
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 www.servicenetwork.org/  
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**A Special thanks to the Consultants who help make our 2008 Summit a success by donating their time (SIA endorses these companies and encourages your support of these companies)**  
**Al Hahn, Hahn Consulting**  
**Ahahn@hahnconsulting.com**

**Dr. Jim Alexander**  
**Alexander Strategies**  
**Alex@alexanderstrategies.com**

**Michael Blumberg**  
**Blumberg Advisors**  
**Michaelb@blumberg-advisor.com**

**Warren Winterbottom**  
**Gtm Advisors**  
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**ren.winterbottom@gtmadvi**

## President's State of the Association

John Rinas, Outgoing President of SIA delivered the SIA State of the Association address to the membership at the SIA Summit in Las Vegas on April 1, 2008.

The quarterly Roundtables are very successful - filled to capacity every meeting. We have a New Canada Group headed by Kevin Brady; We grew revenue by 13% over previous year and had a net income of +437%. We had 15% more attendees registered for the summit than last year; We have more new members in the past year since first year back in the 80's, a lot of this is due to our work on the web site, changing the search engines, having a Membership Chairman and the Board,

focusing on new members.

**20 New Company Members in less than a year**  
 ExpressPointTechnology Srvs. Inc.  
 InStock, Inc. CDE Services, Inc.; Washburn Computer Group; Keystone Memory Gp LLC; Wellington Technologies, Inc. Ingenico; Cilicon Solutions; Midrange Repair & Parts; Prism Pointe Technologies; Sonora Medical Systems; Hyper Microsystems; Competitive Support Options; Anacomp Multi-Vendor Srvs.; Apex Computer; Assurant Solutions (Canada) Networking Technologies & Support Inc.; Liberty Parts Team, Inc., IBM, Alexander Strategies. Special recognition and thank you awards have been presented to **Ray Zambuto** and **Jon Scott**, who both retired from the Board of Directors.

## SIA Board meeting actions & Roundtable schedules

### Roundtables for 2008 and topics

#### *Roundtable Topics for June 12 in Boston:*

- Service Management Software next 3 - 5 years, where is it going.
- Bottom Line - re-inventing your company
- U.S. - Canada Bridge to create growth between the two countries.
- Develop plan for benchmark survey with already established criteria



#### *Roundtable Topics for September 11 in Minneapolis:*

- Logistics, Parts, Depot Repair oriented

#### *Roundtable Topics for December 4 in San Diego:*

- Topics will come from Members input—your input is vital to this session. Please contact the headquarters for topic suggestions that are important to you

*If you are interested in obtaining an invitation to one of these events contact the SIA headquarters.*

### Other Board Actions:

- Appointments of Rich Guglielmo as the Interim Board President; Tom York, IBM to the SIA Board of Directors; Appointment of Bernd Appleby, Terix to the SIA Board.
- Review of all Summit Evaluation forms and appropriate actions from their comments; a complete wrap up of the entire event is always a primary part of the follow up Board meeting
- A Review of proposals to SIA for joint meetings with other associations and add-on training events. The planning and final decision for these proposals will be made at the June Board meeting.
- The Board schedule and Roundtable schedule with topics were also developed during the meeting. The Board schedule for the year is: June 11, 12 in Boston; September 10, 11 in Minneapolis; and December 3 & 4 in San Diego

**Next Board  
meeting and  
Roundtable  
June 12 in  
Historic Boston**

## Winners of Prizes from Summit announced

- Michael Lipson won the raffle of the latest version Garmin GPS—tickets were sold for this event and the drawing was conducted by a non-board member.
- Ed Garcia, New England Systems brought in the most new members as a non-board member and was awarded a free attendance for a second person to attend the 2009 Summit.
- Michael Lipson won the final door prize of a free summit attendance for 2009—yes he won two things and the drawing was conducted by a non-board member.
- Golf Tournament: First prize foursome was Allen Wentland, Washburn Computer Group; John Hamilton, Service Strategies; Barry Cummins, Northrop Grumman; Nathan Stilwell, Paladin. Kas Schafer of Liberty Parts won longest drive and Jack Akers of Networking Technologies & Support won closest to pin.

**Special Thanks to our summit sponsors: AMCOR,  
SERVICE STRATEGIES, LIBERTY PARTS TEAM,  
HYPER MICROSYSTEMS**



## SIA Summit highlights

### The theme this year was Growing the Business & Challenges in a Demanding Market.

The Keynote address "Growing the Business in a demanding Market" was delivered by Warren M. Winterbottom, Principal, *gtmAdvisors*, LLC. *He began with a quote from Coach John Wooden "Success is a peace of mind which is a direct result of self-satisfaction in knowing you made the effort to become the best of which you are capable."* Mr. Winterbottom's dynamic and informative presentation is available on the web site along with suggested reading for top level executives.

The State of the Industry was presented by Martin Wolf, President & Founder Martin Wolf Securities. He discussed M & A activity in the IT sector, growth, consolidations, an analysis of what they mean to the Service Industry. Marty's PowerPoint is on the SIA website. SIA is partnering with Marty on his M&A web-based forum. If you are interested in buying a company or selling your company contact headquarters.

The SIA Roundtable – SIA Board members discussed Perspectives on Market Changes & dynamics of the marketplace. The roundtable was made up of SIA Board members and presented a bird's eye view and review of the three SIA Executive Roundtables held in 2007. John Rinas facilitated the discussion and provided the audience a choice of the subjects discussed with Service management, Growth, Business Development, and Costs containment topics selected by the group.

The afternoon Keynote was Presented by Tom Esposito, CEO The Insight Group  
—Launching New High Growth Consulting & Services Offerings to Rapidly Grow your Services Business—  
He also presented Best in Class practical approaches and proven methods adopted by leading firms. His presentation is also included on the SIA web site.

Over the past few years SIA has engineered a new way of getting Participants to Network and solve issues important to the group. With a combination of structured presentations, roundtable or panel discussions and brainstorming sessions, it keeps the audience involved. We continued and expanded the approach this year to two Brainstorming sessions. The first afternoon was led by Al Hahn, President Hahn Consulting and dealt with Growth issues. Mr. Hahn broke the groups down by Organic Growth (existing customers), Inorganic Growth (new customers). The group then had to decide if they wanted top-line growth (sales revenues) or bottom line (net profit). Further decisions were made on End users or Channel partners as well as OEM partnerships. From that process the group's were divided based on what they wanted to work on and they then was to provide three new ideas and present back to the entire group. Here are the results of the process:

#### • IT Organic Growth:

- **First Group led by Bill Green (1) Find other Divisions, locations, departments and expand offerings; attempt partnerships) Find customers pain by going onsite, find a solution, could be software solution (3) Analysis of customer base. Review current offering and determine additional services.**
- **Second Group led by Michael Blumberg: (1) Know thy customer; train channel partners, joint selling, compensation models, marketing – stay in front, use thought leadership and be flexible – people and progress (2) Add services; software, new hardware platforms, new sales models (3) Systemic Integration; Interface; Profit Value enhancing service**

#### • Medical Organic Growth

The Medical group was led by Wayne Moore. (1) More personalized approach to customer vs. the OEM Oligopoly behavior (2) Increase value NOT simply reducing cost to customer (3) Creating New products to solve technological& process holes within the hospital.

#### • Medical Inorganic Growth

- (1) Make acquisition that fills current offering gap (2) Make a Strategic Alliance "virtual" acquisition (3) Expand International or new vertical or horizontal market space.

The 2008 Summit has concluded but the presentations are available to members on the SIA web site



Sessions at the  
2008 summit were  
fantastic  
according to the  
participants and  
the evaluation  
forms.

## Summit Review Continued

Tuesday's Keynote by Sanford Kahn included a review of The U.S. Economic Machine: How to Thrive Amidst Turbulence. *The future belongs to those individuals who can quickly discern, adapt to, and exploit the unpredictable movements in the turbulent flow of life.* The future does not belong to the big or the small, but to the **swift**. He also discussed how the current policy of the US hurts the value of the dollar and the way out of a recession is to rebuild liquidity by saving money. He then discussed how the last recession in 2001 came after the second "Founders Economy of the century" created by extreme growth with the PC & the Internet boom combination. Back in the 20's the first "Founders Economy of the century" came from the invention of the Automobile and Electricity, followed by a depression. He went on to discuss how we are now in a price base driven economy not costs driven. His 5 way to create wealth: Fishing industry, agriculture industry, mining industry, manufacturing industry and the construction industry. He also predicted another "Founders Economy" in the 2020's as a result of Nano technology, Biotechnology and we are now entering into the knowledge based—technology based period of time. He suggested you focus your core business to create free cash flow which will allow you to be **swift**.

Michael Blumberg delivered a PowerPoint presentation on New Service Realities and their impact on the Service Economics, Benchmarks and Best Practices. He examined how the High Technology Services Industry has evolved. His complete presentation is available on the SIA web site.

The Panel discussion on Growing your business through Profitable Parts Planning was led by Craig Youngblood, President & CEO of LMS Service. Participants on the panel included: David K. Reinke, Founder and CEO of Liberty Parts Team and Felix Shalit, Owner of Hyper Microsystems. Craig developed a series of questions posed to each of the participants with questions from the audience also addressed by the panel.

Staffing and Workforce issues were presented by Enoch Timothy, CEO Paladin, who reviewed the staff needs, training, the culture differences with charts, developing mentors for staff development and what to do about The aging population of technical expertise in Medical and IT. His complete PowerPoint is also available.

The second day Brainstorming Session was facilitated by Dr. Jim Alexander, President, Alexander Strategists Group. The instructions for this group was to select group: (a) Costs savings (b) Infrastructure or (c) Restructuring. The group was to then select a leader; complete the force field analysis provided; develop 5 action steps; come up with 3 metrics. Action Plan: Analysis of current fixed costs, Define Strategic Functions Complete business plan, Implement help factors, Minimize hindrance factors, Continuous Review and improvement. Here are the results (complete presentations on the website, only final metrics presented here):

Group One: Cost Base – Price Based – Bill Green & Dana Collins, Group Leaders

1. Customer Retention
2. Margin, Bottom Line
3. References

Group Two: Infrastructure—New Technology Adoption—Dr. Malcolm Ridgway, Group Leader

1. Financial Performance
2. Customer Satisfaction
3. Market Share

Group Three: Costs Savings—Marc Schiavone, The Buying Group, Group Leader

Costs Containment Five Action Steps: Vendor analysis; Buy-In Employees; Outsource when possible/cost containment; P/L Communications; Monitor – Re-Communicate

Three Metrics

1. P/L Monthly Review
2. Employee Turnover
3. Customer Satisfaction Scores

## Final Panel of Industry Leaders

This Discussion on what the leaders are doing to Grow the Business was facilitated by Randy Parks. It included a discussion of their actual experience. The participants included: Tom York, V P Technical Services Americas IT IBM; Joe Barna, President & CEO CDE; Peter Brooks, President & CEO ISS Solutions; John Hamilton, President Service Strategies. Some of the ways they grew their business included: New training programs, New Retail products, helping service providers meet their goals, moving one business operation to China, hiring a turnaround specialist which resulted in outsourcing part of the functions including accounting cutting 40% of the work force, moving sales commission to "after customer pays" instead of paying upfront, getting rid of unprofitable customers—firing customers, one leader focused on selling existing services to clients in Medical he learned from his IT side and changed sales commission to all **New** business but did provide a 9-month guarantee and raised sales compensation base.

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