

eNETWORK NEWS



SIA Roundtables KICK IT UP a notch

This publication is sent to members electronically and on the website By: Claudia J. Betzner

Special points of interest:

- Recap of June Roundtable in Boston at Flextronics
- Roundtable schedule and topics for 2010
- New Members
- Board Meeting
- 2011 SIA Summit Preview
- Oracle Sun Special Interest Group
- TekTrakker SIA joint program

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 quarterly SIA Executive Roundtables have now exceeded capacity. Originally we limited the attendance to 20—25 top level executives sitting around the table discussing Service Industry issues and a few pre selected topics the Membership and Board have identified as topics of interests to our membership. The Roundtables have become so popular and successful we had to increase the size of the roundtables and take them to a whole new level.

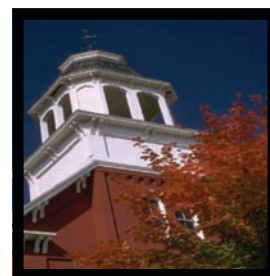
The sessions not only provide great information but allow participants to get feedback on any issue they deem important to their successful, profitable business. At the end of the day we have a cocktail hour and a special dinner much like the Grand Finale at the annual Summit that allows further networking at a whole new level. We do limit the roundtable to SIA Members and invite a few companies in the region that are in the Service Industry to take a look at our association. If you are interested in attending one of our events you should get your reservation in early.

September 23, - Chicago downtown (Palmer House)

1. People session: Staffing, hire full time or 1099? What about training? Marty Reader of Field Solutions will develop session and lead discussion. Paladin invited to participate
2. Service Excellence – Net Promoter Score – metrics to attract customers: Peter Brooks, CEO, Ed Butler, V P IT for ISS will complete talking points with Ed leading this discussion
3. Update on Social Media follow up from summit – Rich Guglielmo and Bill McCubbins will develop session with Bill leading discussion

December 9, sponsored by Maintech, New York City –

1. Fall out of changes in Congress – How tax laws will change business in 2011; discuss Bush tax cut elimination and how that will affect our



companies; Estate Planning, Tax avoidance strategies, Asset Protection Strategies

2. Maintech will develop, and lead this discussion
3. Final session will be determined by participants.

All Roundtable Sessions are groundwork for further review at the SIA annual Summit where the ideas gleaned from the sessions are presented and further reviewed in more detail.

Special Thank you to Jose Bernal, his staff and Flextronics for hosting the Boston event. It was a great Roundtable and the SIA Executive Director and the Board appreciate all the hard work in making this such a successful roundtable.

New Members this last year

Andlor Logistics Systems Vancouver, B.C.
 Tolt Service Group Elmhurst, ILL
 Strategic Sales Group Highland Park, IL
 TekTrakker Information Systems, LLC N Hal-
 endon, NJ
 Prograf Digital Service Covington, KY
 TriMedx Indianapolis, IN
 Lexicon Atlanta, Ga
 Infinite Computer Chatsworth, CA
 ServIT Kennesaw, GA
 Team One Buford, GA

New This Year

General Data Company
 Richard Cmar rcmar@general-data.com
 513-752-7978 Cincinnati, OH

Flextronics Retail Technical Services
 Jose Bernal j.bernal@flextronics.com
 508-382-3324 Marlborough, MA

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 Westlake, Ohio 440 250 9834

Allegro Consultants, Inc.

Steve Cooper, President 408 2522330
 Scooper@allegro.com, Cupertino, CA

The Inman Company

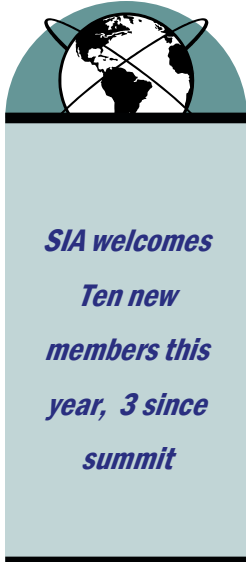
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KT International

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 The Netherlands



Board Meeting Actions

- Matt Mannix was elected unanimously to the Board of Directors. Matt is COO of NSS—NA.
- Special Thanks to Bob Gaddis, who resigned from the Board.
- The Roundtable topics and sessions were further defined.
- The Planning of the 2011 Summit and the sessions took most of the Board meeting and are shown in this newsletter.
- Membership—This continues to be a major activity of the Board of Directors and the Executive Director. Monthly conference calls on Membership with the Membership committee continue to promote new memberships.

Review of progress on Oracle Sun Special Interest Gp.

The progress of the SIA Sun special interest group was reviewed and discussed by the board.

- A Letter went to Oracle and is shown on the SIA web site under the News section on the new anti-competitive policies toward ISO's.
- Collaboration with sister associations for proposed further actions.
- A Letter went to the SIA Membership asking for their feedback from their customers—if you have not responded and you do service on Sun, parts, logistics or other related services on Sun equipment you are requested to respond to the letter. Call or email if you need another copy.
- A written response is expected within the next two weeks from Oracle.

TekTrakker Joint Project with SIA Reviewed — White Paper on web site

SIA/TekTrakker Program Outline. (Collection of Repair data at model/product level compared to total population of equipment) The White paper is on the SIA Website under News

All Members of the SIA are eligible to join TekTrakker as a deeply discounted Membership benefit. The discounting is reflective of the unique opportunity that participating at the kickoff of production brings to the endeavor.

- Prospective SIA Members have incentive to join for the discount
- The more members, the more powerful the database
- SIA Members share in fee-income for data sales

Quantity Guarantee:

In order to guarantee that Members are provided with the full value of TekTrakker, no Access Fees will be invoiced until there are at least 5 members contributing data for a category. Membership fees still apply.

Quality Guarantee:

Data quality is essential to the operation of TekTrakker. All Member data must first be evaluated as to quality before being accepted. New Members will be allowed to withdraw from TekTrakker at no charge if their data cannot be used.

Membership Requirements:

Members must share data about their equipment failures in order to participate. Data is absorbed by TekTrakker in any type of file structure in any format that includes both the quantity of assets (by model) and their associated failures. Raw files in their native form are preferred to extracted reports.

Membership Options:

- Free Trial

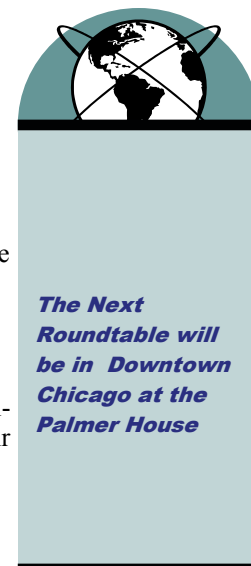
TekTrakker offers a 90-day free trial to any prospective member. The trial is performed on a retrospective 90-day history of any single category of equipment (e.g. servers). The results of the trial are provided promptly in both hardcopy and available on the website with limited guided access. Documentation for the free trial consists of a Trial Agreement or MNDA.

- Membership

Membership provides the full benefit of TekTrakker with unlimited web access as well as unlimited softcopy downloads. The **one-time** Membership fee of \$ 1,650 (\$3,300 for non-members) entitles members to all the reporting and data evaluation of an unlimited quantity of models across all categories of equipment. Non-SIA Members are also subject to a \$10 per model charge over 100 models.

- Database Access and Updates

The continued updating of models and data is chargeable as an Annual Access Fee of \$ 1800 (\$3600 for non-members) separate from the Membership Fee. SIA members may also select a monthly credit card billing option of \$175 per month. All new model reports are covered by the Annual Access Fee.





A virtual tour of Flextronics and their FireDog strategy was reviewed by Jose Bernal

“Executive Roundtable—Boston Recap”

Integration of Sales & Marketing: Discussion lead by Jose Bernal, V. P. Business Development Flextronics

What is Service Marketing?

Marketing in general should focus on one goal only: the generation of revenue

Why is service marketing unique?

1. Because the “product features” for services are often nebulous and hard to substantiate

2. Because services are so often “trust-based” transactions

3. Because our audience is usually a cost center (unreceptive to value pitches)

- What is your uniqueness; your niche; what makes you stand out?
- Charge what the market will bear – if discount is required to get the business, think about what you can cut from services and stay ethical; service pricing today is commodity driven’ don’t break trust; surcharge on fuel still around
- Go beyond Purchasing department, as far up the chain as possible
- Develop good set of spec’s – what is included and come to an agreement to avoid future disagreements
- Marketing in support of sales
- Some chips worth more than others; do ROI by employee, by customer; create value to customers. How do I know what customers want? ASK
- Only about half in the room do profit center by customer.

What are things you can do on a budget?

Web Presence, SEO (versus SEM) Search Engine Optimization vs. Search Engine Marketing

White Papers – don’t give them away, demand something back, lead contact info, etc. trade for something

Online Networking (LinkedIn, Spoke, Jigsaw, Plaxo NOT Facebook) – check out Spoke and Jigsaw, they will have your info they gleaned from lots of places, go in check your info out and correct errors.

- Have consultants do sales force
- Talk about pain – how you will solve their pain
- What went wrong with other service, get their story
- What would you prefer to happen different
- Tell a story; push vs. pull sale – very different strategy

What tools are available now that was not available in the past?

Low-cost CRM Applications (Salesforce, Sugar, Netsuite)

Online Networking (LinkedIn Groups)

Outsourced email marketing (Exact Target, ConstantContact)

Social Media Applications for Marketing, Strategic, Long-term?

LinkedIn versus Spoke versus Jigsaw

Lead Identification prior to Trade Shows

Marketing and Sales

Leads, Qualification, Cadence, Conversion, Closure

The value of CRM, Pipelines and Funnels

- Value Proposition: Define, Differentiate, net out benefit, tell story



Celebrating 20 Years of Excellence in the Computer Services Industry

CSI Computer Specialists, Inc. provides computer maintenance, repair, and support service for everything from open systems and networks to mainframes. Our guaranteed two hour on-site response, efficient staff, and solid infrastructure allow you and your organization to spend less time dealing with computer hardware failures and more time growing your business.

Maintenance Service Highlights

- Nationwide support
- Flexible service level agreements (SLAs)
- 24 x 7 x 365 for all equipment
- Guaranteed technician callback within 30 minutes of service call initiation
- Guaranteed two hour on-site technician response
- On-site and local parts stocking
- Remote monitoring and analysis
- Phone-home and error notification support
- OEM certified engineers
- Warranty support

Supported Manufacturers

- | | | |
|--------------------|-----------|-------------------|
| • IBM | • DELL | • EPSON |
| • EMC | • Gateway | • CISCO |
| • Sun Microsystems | • Toshiba | • Most Major Mfr. |
| • HP/Compaq/DEC | • Lexmark | |

Backline Support Highlights

- Formal training classes on IBM, EMC, and Sun product lines
- Remote and on-site technical support available 24x7x365
- On-site, local, and national parts support
- Sales support

Infrastructure Investments

- Regional service facilities, logistics facilities, and technical labs
- National support centers
- Redundant call center and dispatch functions
- Phone-home and dial-in support facilities (RSF)
- Online nationwide accessible parts and logistics inventory
- Online nationwide equipment support manuals
- Continuously trained and certified technical staff

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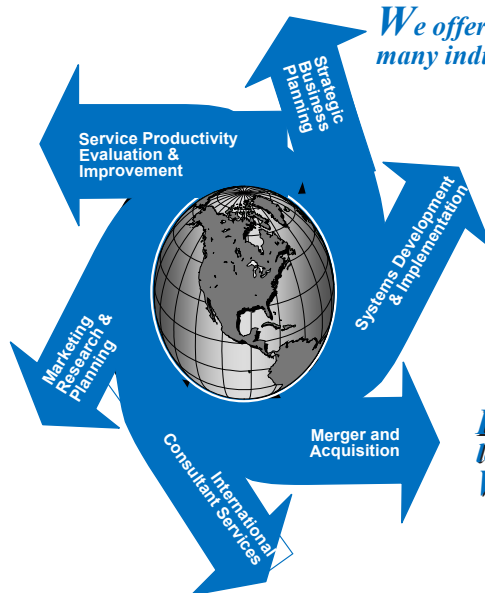
- IT Lifecycle Support
- Parts Logistics
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- Maintenance Support Services
- Overall asset management processes surrounding the IT asset lifecycle

Microsoft Dynamics NAV ERP

- Specialization in FSM
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Data, Data, Data, this discussion was led by Rich Guglielmo with Bill McCubbins collaborating on points

How to use it better, what is forcing repositioning? How to reinvent and enhance using data – this session picks up from Tom York's Keynote presentation at the SIA Summit.

Data GatheringWhat type of Data???

A.Must be relevant to the task

B.Must be useful in the decision process

C.Must be USED

D.Must be real time

E.Must be easily available to users

- Many use NPS Net Promoter Score – www.netpromoterscore.com
- Use as often as needed Passive would be 3% response and it could go to 15% response if they get a benefit
- Most do no phone orders – only website but the customer must get something back for ordering this way – discount, etc. Younger want to order this way, older still like a voice with a real person
- Productivity data – use internally, provide back to employees, One company uses a system he calls his dashboard, the metrics of performance he sees as important that can be measured between employees with a mean average
- How to use smart phones new apps to capture new data from customers
- Techs seem to be those putting data in – What about Management Matrix?
- What is it you don't gather you would like to? Associated time it takes for each class product. Collect detail repair data – protect data

I. Reports...so Many! Who needs what to do their job?

A. Shipping B. Receiving; C. Open Orders; D. Customer managed inventory

E. Returns not received; F. Non-conformance returns

G. Repair history by product at depot or in field

H. Warranty returns or callback

II. Reports – so many, who needs them

I.MTTR; J.MTTF; K.Travel Time; L.Customer Satisfaction; M.Sales Revenue

N.Margins; O.AR/AP; P.Purchasing; Q.Parts Usage

R.Parts Reference; S.T&M Billing

T.Product Performance; U.There are so many more not mentioned and yet to be captured

- What is turn rate by product? • IS there too much data?
- Do we really need all the data we collect – is it time to reduce the amount of data you collect

III.Sharing Data

A. Internal; B. Customer; C. Vendor

- Do an info data inventory annually, what are you collecting, what are you using
- Data you are not using is costing you to collect in employee time
- Be consistent with info you are collecting from the different groups in company
- How are you using data? Fix element to collect info when you are not certain about the data you are collecting. Are you constrained by the system in collecting data? End user may not be as sophisticated on data collection – don't have capability. Collaborative info platform on failures is being developed by TekTRakker as a partner of SIA where SIA members will receive very large discounts – Gay is developing a white paper that will be available to members and participants of the roundtable. THIS PLATFORM WILL INCLUDE FAILURE RATES BY MODEL SERIES LEVEL – WHAT IS THE POPULATION AND HOW MANY FAILED? The white paper is on the SIA website.

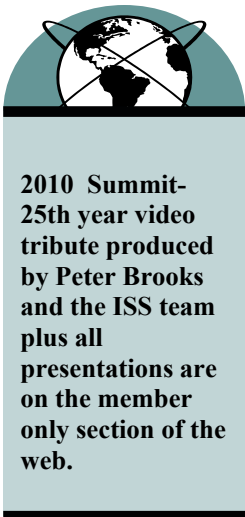
IV.Data Availability

A. Website; B. E-Mail; C. Social Networking; D. Next

Credit card laws changing July 1 in North America – those who take credit cards will be under new guidelines on what data they can collect, save or send over the internet .



A special Networking dinner completed the roundtable in the North End across from the Paul Revere House. A great evening.....



2011 Service Industry Executive Summit for Service Leaders (1985—2011 celebrating our 26th Year)

“Profitable Service Excellence in the New decade”

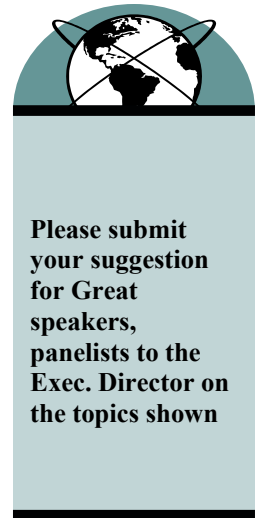
April 3, 4, 5, 2011 Mirage Las Vegas

Service Excellence will be reviewed through twelve sessions that will discuss characteristics to attract customers, how you profit from a Strong ethical standard in your service business, how the new tax laws and elimination of tax cuts in 2011 will affect your business. Day one is Strategic and will provide six topics on where the industry is, what the changes are, how you can position your company for the new decade. Day two we have six operational topics including a major parts session, sales and a profile on an industry leader you won't want to miss. The program is directed to Presidents, Owners and C-Level Executives in high-tech service companies, parts companies, depot repair companies and the suppliers of services to the high tech service industry.

- Welcome—Exec. Director, C Betzner, Moderator Introductions of all participants
- **Keynote: Service Excellence A Surprise motivational speaker will begin the summit**
- **Industry Leader Panel of Presidents** New expectations from Customers, what is different, what is the impact on the service industry, What are the recovery signs, what are the trends? Success stories and indicators will be discussed from each participant's perspective.
- **Major Tax Session** – Fallout of changes in Congress; How tax laws will change business in 2011, discuss Bush tax cut elimination in 2011 and how that will affect you. What you can do to avoid capital gains, Estate planning, Asset protection—A Tax Guru to present this topic
- **State of the Industry – Major benchmarking of current trends, past results; what the industry looks like going forward** - This session will discuss what has happened this past year in the industry, M & A activity, size of the industry, aftermarket portion
- **“Business Ethics – How you profit from a strong ethical standard in your company.”**
A case study of developing trust – how that can lead to get you more business SIA believes in a strong ethical standard for the Members of SIA and we believe Trust is a key factor in the reputation of obtaining new business and growing current customer business. This session will provide actual examples of how you can do this.
- **Private Equity – Global**

Tuesday, April 5, 2011 (day two operational)

- **State of the Association – Rich Guglielmo, President**
- **Special Recognition of each Board member – C Betzner, Executive Director & President Rich Guglielmo—announce election results and new Board members for next two years**
- **Service Excellence – metrics, characteristics to attract customers - (Net Promoter Score) – developing metrics to attract new customers**
- **Member Profile** - One of the top level executives from one of our Member Companies will reveal their company growth, personal growth, the ups and downs of being the top executive in the company and lessons learned from a career as a top executive in the service industry. What he would do different, what he is proud of and what he would advise other top executives to do to grow their business.
- **Follow up – Social Media** - Are members using it for business, what tools in past year
- **Reverse Logistics and Parts session** – A panel of experts will discuss all aspects of Logistics and Parts
- **Marketing – Sales session** A new approach to Sales and Marketing integration in the Service Industry. A Key speaker in the industry will discuss new ideas of growing the business in these economic challenging times. How ISO's are best at succeeding and profiting in a down economy.
- **Surprise closing Panel of Experts will discuss the most major topic in the industry today**
- **Annual Grand Finale and closing**



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