

Little Guys Get Extra Edge From Extranet And Beyond

TECHNOLOGY

Tablet PCs, servers and BlackBerry's devices also give boost to firms

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Like many small businesses, Hartford, Conn.-based IBC uses technology to give it an advantage against larger rivals.

IBC uses the power of the Internet to pool independent industrial supply and bearing distributors so they can get volume contracts from manufacturers and national accounts from end users.

IBC has 10 employees and is just five years old, but already has proved it can compete with big national distributors.

"Technology is definitely a driver for us," said Edward Sullivan, IBC's president. IBC's business deals in replacement parts and supplies for factory equipment, such as metal cutting tools, abrasives and machine bearings.

Key for IBC is its extranet, a secure Web site for its supplier and distributor constituents. The 24-hour-a-day self-service site lets trading partners interact and share information in real time.

The extranet has 55 distributors and 85 suppliers as members. It runs on three Dell servers and uses a software platform from privately held Daly Commerce.

IBC also is using mobile technology to gain an advantage. Five employees who travel a lot use Hewlett-Packard tablet PCs. With these next-generation notebook computers, users can enter handwritten notes and drawings and manage programs with a pen-like stylus. IBC employees use a program for brainstorming ideas and planning called MindManager from Mindjet.

Since tablet PCs have built-in wireless, IBC staff also can access their e-mail over a virtual private network while on the road.

"We want to stay ahead of the curve," Sullivan said.

Ticker Technologies of Glen Head, N.Y., is another example of a small business using technology to work faster, smarter and more cost effective.

The company, which has eight

employees, provides stock quotes and other financial content to Web and intranet sites. It's grown rapidly by using industry standard Intel-based servers from Dell. Ticker chose Dell's PowerEdge servers running the Red Hat Linux operating system because it wanted to be able to scale its infrastructure quickly and economically, says Daniel Pedisich, vice president of infrastructure management at Ticker.

"In the last 12 months, we've about doubled our infrastructure," he said. Ticker has 50 servers dishing out content to 160 customers. Ticker can add capacity quickly if it needs to, he says. Pedisich says he can bring a new server online in less than an hour.

"Technology continues to level the playing field for us."

Chuck Peil, vice president of entertainment, Reel FX

The same trend toward standards that impacted personal computers is taking place in servers and storage, says Frank Muehleman, senior vice president and general manager of Dell's small and medium business division. That should lower prices and improve performance for customers, he says.

Dell is the beneficiary of 90% of Ticker's tech spending, Pedisich says. That includes servers, desktop and notebook PCs, and flat panel LCD monitors.

A recent survey by Forrester Research showed that small and mid-size businesses prefer to deal direct with companies like Dell and skip middlemen like value-added resellers. They believe that route saves them money, and they're confident in their ability to deploy the new hardware.

Small businesses are upgrading older PCs because they realize those machines are at risk of failure, says Harry Harczak, executive vice president of sales for computer products dealer CDW.

If a computer crashes, that could mean lost data and business downtime, Harczak says. Many small businesses still must replace PCs bought before the Y2K scare more

than four years ago, he says. Small business customers are looking for faster performance with better security in new PCs.

A sizable portion of small businesses are trading in desktop PCs for notebook computers so employees can get work done on travel or at home, Muehleman says.

Also, a growing number of small businesses are using Research In Motion's BlackBerry wireless e-mail devices to keep in touch.

CryoCor, a development stage medical technology firm in San Diego, bought a BlackBerry server six months ago, says Mo Suqi, the firm's information technology manager. CryoCor's field workers take handheld BlackBerry devices instead of bulky laptop PCs on short trips. The devices are used primarily for e-mail, but CryoCor is considering developing its own application for it, he says.

"I love 'em, and the field guys love 'em," Suqi said.

The BlackBerry devices let workers be more productive, he says. CryoCor, which has 50 employees, buys 80% of its tech products from direct marketer CDW.

Advances in computer technology are helping Reel FX Creative Studios in Dallas compete with the big boys. The 75-employee firm does visual effects and animation for movies, TV shows and commercials. It soon hopes to compete with powerhouses Pixar and DreamWorks in feature-length animated movies.

"Technology continues to level the playing field for us," said Chuck Peil, vice president of entertainment for Reel FX.

Improvements in servers, storage, network speeds and design software let a small company like Reel FX do the same things that only a much larger production house could do a few years ago.

"What we have today is equal to what (the larger animation and effects companies) had a year or two ago," Peil said.

Reel FX has replaced its proprietary workstations and servers with cheaper standards-based hardware from Dell, he says. It runs 180 servers and 40 workstations. Reel FX also uses the freely available Linux operating system.

"We didn't have the luxury of a lot of money and resources, so we had to do things smarter, better, faster and cheaper," Peil said.