



AHMED'S NETSERVE SYSTEMS HELPS SMALL BUSINESSES REDUCE THEIR I.T. COSTS.

#### BLACK DIGERATI

## You Got Served—Virtually

NetServe Systems provides inexpensive IT solutions with remote monitoring

**FRUSTRATED BY THE REGULARLY** failing e-mail system at G&C Equipment Corp. (No. 52 on the **BE INDUSTRIAL/SERVICE COMPANIES** list with \$75 million in revenues), Gene Hale, president of the Gardena, California-based supplier of construction materials and equipment, decided to hire NetServe Systems Inc., a high-tech consulting firm that provides managed services solutions and remote monitoring service for small businesses.

Abdi Ahmed, principal, chief technology officer, and vice president of Irvine, California-based NetServe Systems remotely logged on to their server, rebuilt their Microsoft Exchange database in two hours, and charged them \$135 an hour—all without stepping foot in the G&C offices.

But this wasn't the first time Ahmed's absence made an impression at G&C.

In 2007, Ahmed realized that G&C's customer relationship management, or CRM, software didn't integrate well with the cloud-based e-mail server an IT consultant had built for the company years earlier. The problem resulted in sporadic outages, so Ahmed helped G&C migrate their e-mail system to a Dell PowerEdge physical server. Now that cloud systems have matured and are more scalable, he is helping to rebuild their cloud-based e-mail in a way that will more efficiently handle G&C's 5,000 contacts and locations across five states.

Managed services are the proactive management of a device or application on an outsourced basis. It's a \$30 billion industry globally that's expanding at a 27% compound annual growth among small and medium sized businesses in North America.

"More small businesses are using managed services," says Sandra Palumbo, a research fellow at the Yankee Group. "It continues to grow as they move into cloud services, in part because of companies needing to decrease infrastructure costs."

Ahmed started NetServe in 1996 with the intent to service businesses with 250 employees or less that needed economical and reliable IT solutions. He has been able to do that by using virtual network computing (VNC), a remote management tool that allows an IT professional to gain access of one computer from another computer to fix a problem. Although VNC has been around for more than a decade, companies like NetServe can monitor the server network, software applications, e-mail servers, Web design, hosting, and telecom devices for small and medium businesses at a reduced cost. With 22 employees (six engineers dedicated to supporting managed solutions), NetServe Systems generated \$3.8 million in 2009.

Although NetServe technicians have access to data on their client's servers, Ahmed says that confidentiality is not a problem. Technicians get a background check, and NetServe's own proprietary monitoring software sends the client a comprehensive audit trail every time their network is breached.

Remote access eliminates the need for a dedicated IT staff and helps small and medium-sized businesses with three to 10 employees spend less than \$500 a month (or \$5,000 a year) on their IT budget. Those with 20 to 150 employees will spend about \$20,000 to \$30,000 a year; a deal compared to coughing up an annual salary of \$55,000 to \$80,000 for a full-time IT professional, says Ahmed. "If you have a [computer] and you are connected to the Internet we can manage you. It doesn't matter where you are," says Ahmed who serves clients as far away as Atlanta. "If a backup server goes down in the middle of the night, our guy logs in and restarts the server. At 8 a.m. when they log into the office it's as if nothing has happened."

—Marcia Wade Talbert