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*"CIOs need to push past the notion that IT is only here to support computers. Instead, our focus should be on supporting business functionality and the core activities that drive business."*

*- Scott Martin  
CIO, Nonni's Food Co.*

#### **Business Priorities:**

- Focus on profitability calculations
- Support sales with CRM enhancements
- Automate transactions

#### **Major Benefits:**

- Fortune 500 quality IT services and support for a flat monthly rate
- Lower costs: staff, time, CAPEX and OPEX
- 24 x 7 helpdesk support
- Easily scales: 100 to 200 employees in 5 years
- Ability to focus internal staff on core competencies
- Access to subject matter experts
- One solution provider creates a single point of accountability

# Hosted IT Services Over the Cloud

CUSTOMER CASE STUDY

## **Profile: Nonni's Food Company**

Nonni's Food Company, Inc. manufactures, distributes, and markets premium biscotti cookies and various specialty baked good products to grocery stores, convenience stores and warehouse club stores nationwide. The consumer packaged goods (CPG) company, based in Tulsa, Oklahoma, credits their devotion to quality ingredients as the foundation for the continued success of the company, and the key reason their product is the number one selling premium cookie in the country. This commitment to quality is reflected throughout the organization.

## **Business Profitability**

The profitability of Nonni's depends on efficient operations, effective marketing, and a strong sales force. As a testament to the company's ability to leverage advantages in purchasing, distribution, and marketing, the company has grown top-line sales significantly and remained profitable, even while selling a "premium" product in a downturn economy.

## **IT Goal: Take a Seat at the Strategy Table**

As Nonni's CIO, Scott Martin contributes to the company's success in driving operational efficiency, not only in IT, but across sales and billing. "CIOs shouldn't focus on infrastructure; that's not really 'IT management.' It's easy to expend cycles providing the business with the bare minimum requirements for daily operation, such as email," says Martin. Instead, he encourages CIOs to "focus on supporting business functionality and core activities that drive business."

## ***Martin states a CIO's purpose is to reduce costs and increase sales while maintaining a secure, stable environment.***

Admittedly, it's not an easy shift. In order to focus on business strategy, a CIO needs to be able to transcend a reactive mindset – punctuated by the flood of day-to-day infrastructure management, issues and helpdesk requests. But for those executives like Martin who have embraced this change, the payoff is significant. Martin and Nonni's IT staff consistently drive incremental revenue value by supporting business activities.

## **Contributing to the Bottom Line**

In the last year, Martin and his IT team have been able to complete the following projects:

### **ERP Applications**

- Streamline: 80% of business transactions
- Automate: 60% - 70% orders completely hands free
- Implement EDI – web based interface

### **CRM**

- Upgrade and implement new sales training processes that are organized, current, with stronger reporting and analytics

How was Martin able to make the strategy shift? To understand this, he takes us back to what Nonni's IT structure looked like in 2004. One especially talented IT staff left the company and, with his departure, support had noticeably degraded. Nonni's had 100 employees being supported by one full time employee and part-time support outsourced to a local vendor.

As an added business challenge, Nonni's was on a growth path and Martin knew the company needed the right infrastructure in place to support the boom. It was clear to him that Nonni's "needed more than one person on the bench." Martin weighed his options:

1. Hire more internal staff to build and manage everything in-house, or
2. Outsource to a managed service provider who offers a broad portfolio of infrastructure and support services

Martin knew self-provisioning would be a huge undertaking. Plus, provisioning the infrastructure and expertise in-house would box IT into what he calls the "tired, traditional build and support model." Nonni's would effectively be investing in the business of IT, instead of investing in advancing its business.

### **Keep IT From Being a Distraction**

By outsourcing the commodity aspects of IT (helpdesk, server monitoring / maintenance), Martin could maintain his staff's focus on supporting Nonni's core business. He selected CenterBeam as his outsourcing partner for the breadth and depth of its capabilities: his other options were local vendors that could handle just his headquarter location or Managed Service Providers that only offered piecemeal services.

CenterBeam was the only national managed service provider with a comprehensive suite of offerings for the mid-size market, specializing in infrastructure design, management, and helpdesk services hosted over the Internet using what's now commonly known as a cloud computing model.

This model allowed Nonni's to increase capacity or add capabilities on demand without investing in new infrastructure, training new personnel, or software licensing. What's more, by selecting a single partner to manage Nonni's infrastructure and helpdesk, there would be sole accountability when issues pop up. As Martin put it, "They are all CenterBeam's problems now."

### ***Essentially, Martin offloaded his IT worries.***

In the last five years, Nonni's headcount doubled from 100 to 200 employees. Through it all, Martin had the assurance that Nonni's IT partner was capable of handling this rapid growth cycle. Additionally, Martin didn't have to deal with any of the increasing complexities that occur over time when you are managing an infrastructure. For example, over the years, CenterBeam seamlessly migrated Nonni's from Microsoft® Exchange 2000 to 2003 to 2007. With the rapid pace of change, this is one area where he especially appreciates being a consumer not a provisioner of his IT services.

### **Minimal Risk**

Martin recognized the goal alignment inherent in his partnership with CenterBeam. A fixed monthly fee-based service provided a strong incentive for CenterBeam to resolve issues quickly and completely so they don't recur. This would help ensure a more productive end user community and grant internal IT resources valuable time to focus on business driving activities versus infrastructure hassles.

Other key differentiators simplified the decision to partner with CenterBeam, including:

- Short term contract with an easy out
- Single source solution – one integrated solution removes finger pointing when issues occur
- Fixed monthly fees with unlimited helpdesk calls
- Scalable on a monthly basis to align with Nonni's increasing employment levels
- 24x7 helpdesk answered by desktop engineers, not a dispatch service
- Online, real time, IT key performance indicators (KPIs) delivered by a web dashboard
- Access to a pool of subject matter experts vs. relying on one individual contributor
- Longstanding partnerships with industry thought leaders
- External security audits and validation: SAS 70, Type II certification

Right away, Nonni's benefitted from the flexibility and cost predictability cloud computing offered. CenterBeam's pricing model is based on "consumption" of IT services, or pay as you go. By building one secure shared infrastructure, CenterBeam offered Nonni's enterprise class technology at a fraction of the cost it would take to provision and support in-house.

## Major Benefits

CenterBeam has maintained Nonni's infrastructure for over five years with continuous improvement built into the flat monthly fee. Throughout the partnership, CenterBeam has upgraded Nonni's desktop services platform every year. In 2009 alone, the upgrade included a consolidated set of desktop management tools to further reduce the footprint.

Martin states, "Nonni's is able to provide our employees with Fortune 500 support, and our environment stays current without CAPEX. All this, and it doesn't take much of my time to support the relationship."

Instead, Martin focuses his time on helping Nonni's grow its business. And this focus has paid dividends to the business: Key projects include developing ERP applications to automate key manufacturing processes including streamlining order management – whereby 60-70% of orders are now able to be shipped hands free – and implementing a sales information system to allow for better reporting and analytics to help drive sales. Martin is also able to access various infrastructure experts from different fields (email, networking, consulting as examples) without having to hire a consultant who is unfamiliar with Nonni's environment.

## Security

### SAS 70, Type II Certification

CenterBeam provides valuable expertise from CISSP professionals whose sole focus is to provide state-of-the-art IT management and the most current security practices to protect Nonni's infrastructure against evolving threats. CenterBeam's services, processes and policies are SAS 70 Type II certified. The company is inspected annually to ensure the highest levels of security, stability and reliability for its customers. The result is expert protection against outside threats, assurance of operational integrity and an in-house IT staff that is free to devote time and expertise to the core functions critical to the success of its business.

### Malware

According to Martin, there's "Lots of [virus and malware] activity I don't worry about." Martin reports that viruses have not infected any of the systems managed on CenterBeam's PC Security Service over the course of the five-year partnership. He no longer has the stress of trying to stay a step ahead of spammers and keep pace with evolving security threats, though he can monitor CenterBeam's process using My CenterBeam, CenterBeam's customer dashboard tool. For example, Martin can easily log in to see that CenterBeam has caught more than 50 viruses in the last thirty days.

## Summary

By partnering with CenterBeam, Nonni's was able to reap the benefits of having its IT services delivered via a cloud computing environment. Martin achieved his vision of significantly reducing IT costs without sacrificing service levels, and utilizing his internal IT resources to support revenue generating efforts. For Martin, the value of IT leadership is not in building an empire but building solutions to automate business processes and improve efficiency.

***Martin sums it up this way: "Why worry about decreasing IT cost by 5% when you can increase revenue by 10%?"***

## Contact CenterBeam

If you are considering whether outsourcing to a managed service provider is right for your business, let's talk. With just a few data points from you, we can determine if your organization can benefit from the resulting infrastructure optimization and what the scope and savings might look like. Visit us online at [www.centerbeam.com](http://www.centerbeam.com).



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