

## 25 Years of Growth and Success

*NetGain Technologies marks its 25<sup>th</sup> anniversary and expansion into the Chattanooga market. CEO Mark Jacobson says the company's focus on clients has been the key to its continued success.*

Technology has seen dramatic changes in the past 25 years. In 1984, the typical PC hard drive held only a few megabytes, and files were often stored and shared on diskettes. Users typed commands at the old DOS C prompt. Computers were often connected to networks via modems, and e-mail was not readily available unless sent using proprietary, LAN-based systems.

Founded in August 1984 in Lexington, KY., NetGain Technologies has evolved into one of the largest technology providers in the region, offering an array of solutions unheard of 25 years ago. Today, the company continues to expand, adding a new office in Chattanooga, TN. to a list of locations extending from Kentucky to Arkansas.

The *Technology Journal* recently spoke with NetGain Technologies CEO, Mark Jacobson, to gain insight into the company's remarkable success. Jacobson explained the company's unwavering focus on core values and client satisfaction has enabled its steady growth amidst rapid technology change.

Technology Journal: NetGain Technologies has outlived so many technology companies, large and small. What has contributed to that longevity?

Jacobson: Always keeping the client's best interests in mind is the key, along with always adhering to what we say we're going to do. That's something we're very proud of. When we submit a proposal and say the project is going to cost \$125,000, that's what the invoice is going to say, even if it actually ends up costing us an extra \$10,000. Those are the things that keep clients coming back.

TJ: NetGain Technologies has been able to successfully navigate dramatic changes in technology. What's the secret?

Jacobson: You know, so many people in our industry are focused on products — you need 10 of these and two of those. Well, it's not about all the parts and pieces it takes to do

something, it is about the outcome that clients expect. We focus on the client's business problem and how technology can be applied to solve that problem. We then take the next step and look at what impacts the solution will have on the business. This helps clients truly comprehend how their business is going to change. There's a great deal of value in that.

TJ: Why Chattanooga? What's your vision for this latest geographic expansion?

Jacobson: When you look at a U.S. map, you see us in Kentucky and you see us in Arkansas. There's a big open spot between those two points. Chattanooga fits logically within that footprint. Furthermore, it's a smaller, somewhat rural market, with a number of businesses that have less than 1,000 employees. That is exactly the type of market we serve.

TJ: Would you say that it's an underserved market, from a technology perspective?

Jacobson: A lot of businesses in smaller cities are looking for a solid partner that has the right policies, procedures and expertise to help maximize the value of technology. They're looking for a company that has substantial depth and breadth of resources. Operating a business at \$1 million is a lot different than operating a business at \$50 million. Small businesses often don't have the resources and talent they need, so they're looking for a partner of our caliber to "help them succeed."

TJ: A lot of technology companies will have one sales person working from home and claim they serve a market. What are your plans for Chattanooga?

Jacobson: We have opened a new office — an actual brick and mortar location. A technology business in Chattanooga that had several employees recently closed its doors, and we saw this as an opportunity to facilitate our planned expansion into this area. We extended employment opportunities to some of those folks, and some of them said, "Yes, we would love to join your team." So we didn't acquire the company, yet we didn't start from scratch. We were able to build off the core group of people who had been working together quite well for many years.

Now we need to go out and penetrate the market. There are clients who used to work with the company that closed, but we have to compete for that business again, and we have to go out and win new business. We feel confident that our core value proposition will resonate in this market over time. As clients start to see and experience how we work, they will know that we're a professional organization, not a business running out of our home, or a business with two or three employees trying to do it all and keep everybody happy. We have around a

hundred people working in their specific role, that in the end, “Creates Happy Clients Through Effective Technology Solutions.”

TJ: Do you envision further geographic growth?

Jacobson: Our history has emphasized thoughtful growth. We started out in Lexington, and our newest facility here is a 40,000-square-foot facility. We expanded into Louisville and moved into an 18,000 square-foot facility, then into Arkansas and now into Tennessee, which is also moving into a new facility. It is our intent to continue looking for opportunities to grow both organically and through acquisition. We can do this regionally much more efficiently and effectively than we can by trying to go into a big city or to the West Coast to build brick and mortar.

After 25-years, we now serve clients from the East coast to the West coast. Many of our clients are satellite offices of businesses in other areas of the US. Even though their operations happen to be all over the U.S., we’re able to help them because technology is so fluid and flexible today, we can manage their systems anywhere. Reality is that we can do so many things from within our business, without physically having to roll a truck to a client’s site. And because of our partnership with a 30B national alliance, we have the opportunity to use local engineers to a remote client site, who are under contract with us when we need to physically dispatch someone in another part of the US. Strategies like this serve our clients’ needs while keeping our prices competitive. We started talking about the old PC and handing diskettes to one another as a way to share data; I’ll end with say this, “The rules have changed. Today, clients want one fee per user in exchange for one set of services that are designed to keep their systems from going down. That’s what we offer with our Technology OneSource program. It’s powerful! Clients are saving money or getting more services for the same dollar with greater focus on their business, leaving us the busy-work of making sure they achieve their desired outcomes in a cost effective manner.