



Jason Smith, CEO

- Binary IT Solutions
- Jason Smith, CEO
- Evansville, IN
- www.binarylifeline.com
- Founded: 2002

After partnering with Zenith Infotech, Binary IT Solutions has high hopes for its cloud and managed services business.

ZENITH PARTNER INTRODUCES ITS REGION TO MANAGED SERVICES

As hard as it may be to imagine that managed services remain a novelty to some customers, this is still the case in the Southern Indiana region where Binary IT Solutions Inc. operates. It's a reality that works in Binary's favor, as CEO Jason Smith sees it.

It gives Binary a leg up in introducing managed services to the region's business community, something the solution provider has worked hard at doing since 2009. The company has made some progress, and Smith expects much more will be made in the short term. "If I had it my way, I would move all of our customers to the managed services model, but it's a big change and we need to give them time to adjust to the idea. Once they do, I think we'll see more of them wanting to make the change," Smith says. "We're getting closer to that goal."

As of mid 2011, Binary has close to 50% of its clients on managed services contracts, says Smith. "We've signed up over 200 managed desktops and around 20 managed servers."

Getting to this point wasn't exactly easy. It took trying out two managed services technology partners, a

whole lot of frustration and — finally — a partnership with a technology vendor whose technology works just as the vendor said it would. That vendor is Zenith Infotech.

Trial And Error

Binary IT Solutions focuses on clients with 20 to 50 seats in various verticals, including law, health care, car dealerships, and financial services. The company is the result of a 2007 merger, when Information Technology Services merged with Binary Computer Solutions. Smith was running ITS, and Steven Groves, the COO of the combined company, ran Binary.

Smith was barely two years out of college when he became CEO of ITS, a role he admits he wasn't quite ready to take on yet. Naturally, he learned a lot on the job. After the merger, there were more lessons and the eventual realization that continuing to operate as a break/fix IT provider had its limitations.

Groves had been doing some research and proposed that Binary not only start making the transition to managed services, but also automate its own processes by implementing business management software from Autotask. The Autotask implementation was driven

primarily by a need to automate billing, says Smith.

Though happy with Autotask, Groves and Smith despaired over the managed services platform they had chosen. Hooking up the system to customer environments proved difficult, to the point that Binary eventually gave up and let its license for the platform run out. A second attempt with another technology provider produced slightly better results, but not good enough to build a successful managed services practice.

"Each vendor talked a good game, but couldn't deliver in the end," Smith says. "Customer service was great in some cases, but the product just wasn't usable."

So in October 2010, having heard about Zenith Infotech, Binary decided to give the vendor a try. "It was just a trial run, but by the end of the year we were switching every client we had on managed services contracts to them. Since January, we have added over 200 agents to our portfolio, and we add an average of 10 per month currently," Smith says. "Basically, Zenith works the way other vendors said their products would."

With the Zenith Infotech partnership still in the early stages, recurring

revenue from managed services has been growing steadily, Smith says. Because the model is still new in the southern Indiana region, Smith believes the potential is enormous, especially since customers by and large seem agreeable to managed services.

"We are getting great reception from our current and new clients to the service portfolio we are offering," he says.

Backup Bonus

As Binary became better acquainted with Zenith Infotech, the provider discovered the vendor's data storage, backup and recovery service. Binary saw the offering as a bonus with lots of potential for supporting its clients' disaster recovery plans.

"We found this to be one of the best services that we have added in some time," Smith recalls. "Being able to give our customers the satisfaction of very little downtime was a huge selling point."

As a result, the offering quickly became a favorite for Binary. The provider offers it to customers in one of two ways — as a service for a monthly fee or as an outright purchase. For many clients, says Smith, the offering is the first time they implement a disaster recovery strategy.

With the backup and recovery offering doing so well, Binary has started evaluating the next generation of the service, which Zenith Infotech is marketing as part of its SmartStyle private cloud solution. Smith says he expects SmartStyle MirrorCloud to become a core component of Binary's strategy going forward.

"We are quickly learning this new technology and training our staff," he says. "I see this as the biggest

"Being able to give our customers the satisfaction of very little downtime was a huge selling point."

Jason Smith, Binary IT Solutions

potential that Binary has ever had to improve our position in our market. It will most likely become our flagship product."

In addition to MirrorCloud, Binary has already been introducing to customers SmartStyle Office, which replaces conventional hardware and infrastructure with virtual desktops, servers and networking.

"We have a non-profit hospice agency that uses our services," Smith says. "They have MirrorCloud in combination with our SSO services. Since we launched these services, we have been able to take care of them much better and more efficiently. They have enjoyed benefits such as secure remote access with expanded functionality and visible dashboard metrics of the health of their network."

In a letter of recommendation, the executive of St. Anthony's Hospice sang Binary's praises, crediting the provider with being instrumental "in helping us plan for our IT growth in an environment of quick growth and a new government mandate for an all-electronic medical health record."

Eye On The Cloud

As it did with St. Anthony's, Binary plans to move more of its customers to cloud services, where Smith sees a bright future for the company. Binary is projecting revenue growth of 20 percent for 2011, to \$509,000 from \$432,000 in 2010.

Considering the region's delayed adoption of new technology models, Smith believes a lot of customer education will accompany that growth. But with Zenith Infotech's backing, he is confident it will be a smooth process.

IT Channel Education
Programming brought
to you by:



Social networks such as Facebook, Twitter and LinkedIn have undoubtedly changed the way we conduct business and communicate with prospects and clients. Unlike traditional marketing, they offer real-time interaction, an easy way for people to share information and add a personal touch to the face of any company. Never before, has it been this simple and cost-effective for businesses to promote themselves and generate interest in the products and services they sell.

Social media is not just a fad, it's here to stay. Astoundingly, many businesses have yet to begin leveraging social media to their advantage because they lack the time or are unsure of where to begin.

Join us for a special episode of MSPTV on Tuesday, June 7, 2011 at 12:30 pm ET with Kevin Brown, Internet marketing expert and Vice President of Kutenda. In this episode, Kevin will focus on teaching IT and Managed Service Providers how to set up and successfully use social media strategies to:

- Make new contacts
- Establish your brand
- Build relationships
- Promote special offers
- Increase revenue

Facebook currently has over 500 million active users. 50% of those users log in every day. Is your business visible to these 500 million users or are you falling behind your competition?

Register now and take the first step toward joining the social media revolution. We look forward to seeing you there!

<http://tinyurl.com/3chfl6g>