

Homegrown Partnerships

By Lisa Ann Thomson, 9/12/2006 4:55:37 PM MST

It may be tempting to search for business partners in New York or San Jose. After all, the big guns are usually on the coasts or even beyond, and the world has become so small that there's hardly a difference between working with companies in Los Angeles, China or Peru. Right?

How about maybe? OK, how about dead wrong?

Many Utah companies are discovering there's no place like home when it comes to cultivating partnerships.

Some have traversed the landscape of foreign lands — be it New York or India — only to discover that a sensible business fit combined with close proximity makes for a highly effective partnership. The bonus for Utah's economy is that local relationships keep jobs and money in state, and that's good for everyone.

"When we work together with local companies, we're feeding each other's families, keeping our own economy growing and creating jobs for our own community," says Dave Norwood, president of Trusted Network Solutions, a Salt Lake-based value-added reseller.

Many Utah businesses are seizing opportunities within the state, with extremely positive results.

Here are some examples of companies finding success by keeping it local and some ideas for making it work for your company.

A Perfect Match

Salt Lake-based Sharp Analytics does what it does very well. It takes information from disparate data sources, analyzes it, and offers it up as important intelligence from which businesses can make more informed decisions. But while Sharp has excelled at the collection and analysis steps, the "offering it up" step was falling flat.

So Sharp went looking for a partner who could provide better visualization for its product. They scoured the Web and found some options, including a company called Corda Technologies, which happened to be just down the road in Lindon.

It also happened that Corda knew how to create world-class visualizations, but its customers were asking for more analysis.

"The timing was perfect," says Tom O'Dea, chief revenue officer for Corda.

Company heads worked out an agreement and their partnership was announced in January 2006. They couldn't be happier with the results.

"It has been one of our most successful partnerships," says Christian Faulconer, COO of Sharp Analytics. "We have seen an increase in our revenue and Corda has, as well. It has been a great success."

Both companies emphasize they were first looking for the best business partner. But the fact that they found what they were looking for one valley over has proven a tremendous benefit to the partnership.

"We have partners across the country, but we know the people at Corda a lot better," says Faulconer. "Instead of knowing one contact person at Corda, we know a dozen people on a first-name basis. That's a real advantage to us."



They know them better because they see them more often.

"We try to have as much face-to-face contact as we can with L.A. and New York, but it's more expensive and it happens less because it's so time consuming," Faulconer says. "But one thing about being close to home, there is always an excuse to hook up. I can say, 'Hey Tom, let's grab a bite to eat.' It's easy for me to schedule an informal meeting and get a lot of business done."

"The fact that Sharp is located close to our office made that relationship building a lot more accelerated," adds O'Dea. "They are able to come by and discuss issues directly, so we were able to understand one another and build up that relationship more quickly than if they were located in, say, Boston."

And time is of the essence when bringing products to market. For Corda and Sharp, a perfect fit and optimal location have made it a partnership both companies are growing by.

Love Triangle

CR England needed an upgrade. The national trucking company is based in Salt Lake and has about 25 remote offices. They were networked together with a very reliable, very secure, but very slow and expensive frame-relay system. While it had done its job for years, CR England had more than outgrown its capabilities.

Paul Erickson, director of technology for CR England, went looking for a cheaper, faster solution. He found it through a local VAR, Trusted Network Solutions (TNS), who pointed him to an Israeli company with "local" reps in California. The product was installed and working, but Erickson was not entirely pleased with the results.

"The product was developed by engineers in Israel who are very sharp people. But we had a hard time following the interface and understanding how to navigate their system," Erickson says. He also had a hard time connecting with engineers in an opposite time zone as issues arose.

In the meantime, Trusted Network Solutions was in discussions with FatPipe Networks, a Salt Lake company that provided a solution similar to what Erickson had already implemented. TNS's Dave Norwood knew CR England was struggling, so he posed the problem to FatPipe.

"I literally said, 'I got one for you,'" Norwood recalls. "If you can go in there and add so much value that they'll actually tear out a working solution and put yours in, we'll start promoting FatPipe to all of our customers.' And lo and behold, they did."

FatPipe not only brought a better solution to the table, but it offered a geographical proximity and a willingness to work closely that ultimately made the sale for Erickson. Having access to its engineers — not just in the same time zone, but also even in the same conference room — has made a dramatic difference in the implementation and maintenance of FatPipe's solution.

"We've had situations where we have brought the CR England guys, TNS engineers and FatPipe engineers together and white boarded solutions to problems," Norwood says. "We had one situation where a FatPipe engineer literally walked out of the room, came back 20 minutes later, and had made the enhancement to the product. You can't get that with somebody across an ocean."

Erickson agrees. "I can't think of a lot of disadvantages to staying local," he says. "It's so important with things that are critical to the company. If that box goes down, all of our connections are down, and that means big money to the company. So if we go down, I'm going to call FatPipe, and if I don't get an answer, I'm going to be at their door. I like that."

For the record, Erickson adds, FatPipe's doors have always been open.

For Art's Sake

When husband and wife team Jeff Martin and Tara Southard decided to open Dexterity Salon, they had a vision: create a place where community gathers and art thrives. Sure, their bread and butter would be first class salon services. But they also envisioned a place where "local artists can gain exposure, where design and architecture can be promoted, and where craftspeople can display their wares," says

Southard.

They've certainly hit their mark. As you wait for your turn in the chair, you can browse a selection of jewelry by local jewelry artist Jennifer Boyle. When you get your hair washed you'll see fine art photography by local photographer Jonathan Lundahl or a giant portrait by artist Marty Stenerson. While you're getting your locks trimmed, you can view paintings by Hetty Alldredge, Ellen McConnell, and Steven Petersen — all local artists. And as you check out, you can buy any of it.

If you look a little closer, you'll also see wood panels purchased at Salt Lake's Green Building Center, furniture from the Green Ant and Wasatch Furniture Company, and upholstery done by residents of the Odyssey House Vocational Rehabilitation Program. From start to finish, Southard has worked hard to keep the art in the salon local.

"We were approached by a lot of national sales reps who wanted to sell their items in our salon, but we tried to steer clear of that," she says. "We wanted local, handmade craftsmanship."

They are taking the lessons they learned from opening Dexterity and expanding next door, where they are opening a café in which they'll use local growers, partner with a local roaster, and fill the walls with more local art.

"Salt Lake is growing and there's a creative culture that just needs the venue to be exposed," Southard says. The result for Southard and Martin is a charming space that celebrates local artisans and gives a mean haircut.

Do It Yourself

If you are feeling inspired to look close to home, following is some advice from companies that have done so successfully.

The first tip: The decision needs to focus on the business first, says Corda's O'Dea. "We really look more at what the partner has to offer rather than the geography of where they are located," O'Dea says. "We're really looking for someone who brings complementary products to our products."

But he adds a qualifier. "The second most important thing is the relationship. You have to manage the relationship actively, and you have to have teams that work well together. The fact that Sharp is close has really accelerated a strong relationship."

Faulconer agrees. "Find the very best business partner for you. But the fact that a partner is local is a huge benefit in the long run because you can build a stronger relationship, and the likelihood of success is greater," he says.

One of the best ways to seek out local partners is networking. Dexterity's Southard has the benefit of meeting scores of people everyday. Everyone who sits in her salon chairs brings a diverse network of connections, and Southard isn't shy about mining them.

"You have to do the footwork. You have to ask around and network with people you know and people they know and find those connections. And once you start making them, they just keep going and going," Southard says.

FatPipe's President Ragula Bhaskar recommends taking the time to cultivate local relationships. In his experience, local companies tend to offer more attention and better service, so it has proven worth the extra effort to find local companies where possible, even if the relationship needs a little nurturing.

"We make a conscious effort to nurture them," Bhaskar says of his local vendors. "There are some advantages to making them part of your organization so they understand your QA and your processes. With a company in California we would have no way of getting to that level."

The bottom line: It may not always make sense to stay local, but it definitely makes sense to explore your local options. The advantages to your business and Utah's economy can be compelling.

"Look around your own backyard for opportunities instead of immediately looking to California or

somewhere like that," says Norwood. "If the talent or solution is here, it is much better to have someone local rather than someone remote."

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