



4 Secrets Of A Trusted Network Security Advisor

By perfecting its network security sales skills, this \$5.5 million solutions provider is poised for a third consecutive year of double-digit growth.

BY JAY MCCALL

Within a couple of minutes of talking with Charles Johnson, CEO of networking and security consultant and reseller EDTS, it became very apparent that this guy is passionate about protecting his customers' data, a skill that helped put his company on the *Inc.* 5000 list two years in a row. During my interview with Johnson, it also became apparent there are four things he is doing, and by doing those four things, his company has become a trusted advisor to a growing number of small, midsize, and even large customers from a wide variety of vertical markets in the Southeast.

Secret 1: Don't Be A Bottleneck For Sales Growth

Johnson's first piece of advice stems from what he calls his biggest regret since starting his business in 1999. At EDTS' inception, he and one of his first employees, CIO Will McGee, were the sole sales force for the company. "When a company is small and just starting out, it's necessary for the owner to play an active role in all aspects of the business," Johnson says. Having gotten his start as an IT engineer, Johnson likes rolling up his sleeves and tackling various networking challenges. "But, there comes a point in a company's progress where the CEO has to step back from day-to-day activities to focus on the company's vision and growth," he says. Johnson came to that revelation in 2008, when his company had about 18 employees and less than \$2 million in revenue. At the time, he had attended ConnectWise's (a vendor of PSA [professional services automation] software) partner conference, and he left the event determined to build a sales team. Today, EDTS has five full-time sales reps — two inside and three outside. "I'm still involved in the sales process, but primarily only near the close of the deal," he says. As his business grows, he's looking for a balance of farmers (inside sales reps, focused on working with existing clients) and hunters (outside sales

CHARLES JOHNSON, CEO OF EDTS, EXPERIENCED MAJOR REVENUE GAINS AFTER REMOVING HIMSELF AS THE BOTTLENECK FOR ALL DECISION MAKING AND HIRING ADDITIONAL SALES AND ENGINEERING TALENT.

Photos By FishEye Studios

EDTS, LLC

FOUNDED: 1999

2011 SALES REVENUE: \$5.5 MILLION

2011 SALES REVENUE GROWTH RATE: 45%

2012 PROJECTED SALES REVENUE: \$6.3 MILLION

2012 PROJECTED SALES GROWTH RATE: 15%

EMPLOYEES: 40

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reps focused on getting new business). Additionally, Johnson is currently in the process of hiring a director of sales, which will allow him to further remove himself from the sales process and focus on new growth opportunities.

Secret 2: Lead With A Security Assessment

To better align with customers' needs, EDTS has learned to take a consultative approach to selling, oftentimes approaching a prospect as a pure consultant that can give them a neutral third-party perspective on the state of their network security. "We put no pressure on them to ditch their current reseller partners; we simply present them with the facts of our network assessment," says Johnson. "In many cases, once a customer sees all the vulnerabilities in their networks, they'll ask us for a price quote to fix the problem. But, if they don't, we never initiate a discussion about the cost of fixing their security problems."

Additionally, EDTS provides its clients with network assessment reports that are written in such a way that the client could hand them to another IT provider or qualified internal IT staff, who could then use the report as a road map to correct any

problems. According to Johnson, the biggest mistake some resellers make when talking to new prospects is discussing IT security products too early, rather than asking questions in order to understand customers' needs and providing solutions that address those needs.

Another benefit of EDTS' consultative approach to selling network security services is that it enables the network security consultant and reseller to influence high-level decision makers. "We typically only deal with managers and executives when we consult for a company," says Johnson. "After running our network assessments we review our findings with these decision makers, keeping the meeting to less than an hour." Johnson learned early on that if the initial meeting was opened up to the entire IT staff, every one of EDTS' findings was rigorously debated and the meeting would run on for hours — not to mention the fact that any possible network security sales would be delayed or completely lost in the process.

According to Johnson, there are many "posers" in the channel that install firewalls and other security solutions with no formal training. Johnson has separated his company from these resellers by investing in all the major industry certifications. "We spent \$38,000 last year on training," he says. All of his engineers carry core certifications from Cisco, Microsoft, and VMware, plus additional industry certifications. Several of Johnson's 28 engineers hold specialized security certifications such as CISSP (certified information systems security professional) by the International Information Systems Security Certification Consortium (i.e. "ISC-squared"), CEH (certified ethical hacker) training, a standard provided by the International Council of E-Commerce Consultants (EC-Council), and OSCP (offensive security certified professional) by Offensive Security. "To achieve the OSCP certification, you have to be able to successfully penetrate five computers in 24 hours," he says. Having this level of expertise gives EDTS a lot of credibility with prospective companies that it wouldn't otherwise have. Having a staff of security experts enables EDTS to sell services such as network vulnerability assessments, a service that puts EDTS in touch with customers much earlier in their IT buying process.

'Trust But Verify' Your Security Vendor Partnership

Network security consultant and reseller EDTS' growth landed it on the *Inc.* 5000 list of the fastest-growing privately held companies two years in a row. Although EDTS President and CEO Charles Johnson had to make a couple of big changes to his business during this period, the consultant's relationship with network security vendor Reflexion has not changed. EDTS sells the entire Reflexion portfolio, including email security, encryption, and archiving.

As is the case with all of EDTS' network security vendor partnerships, Johnson takes a "trust but verify" approach to the relationship, which in this case means personally using the solutions he resells at his facility. "At one point, we decided to evaluate other network security providers,"



recalls Johnson. "No matter which vendor we tested, however, we received far fewer spam messages with Reflexion. Even more, with other network security solutions we felt we

had little control over what was coming in and leaving our email servers."

One of the features Johnson likes about Reflexion is AOTF (address-on-the-fly), which supports setting up alias email addresses for events such as registering for websites or newsletters, posting jobs online, or during marketing campaigns. "AOTF would be totally unrecognizable to your local email server and hence undeliverable," says Johnson. "Reflexion translates the address, in a fully automated and transparent fashion, for delivery to the recipient's in-box. Once a job is completed or the marketing campaign is over, the alias addresses can be disabled to eliminate any spam that might develop on the address."

Johnson also prefers Reflexion's security solutions because all the essential security functionality is bundled into a single solution, and the pricing model is straightforward: a flat fee per email address per month. Additionally, "Reflexion's support team proactively alerts us of potential issues, such as unusual email traffic leaving a site," says Johnson. "Their support has always been responsive to our needs. They are accessible via phone and email and often respond after standard business hours."

Finally, Johnson likes the ability to OEM Reflexion's products. "We can put our name and logo on their products, which helps give us one additional touch point with our customers," he says.

www.reflexion.net

Secret 3: Have Regular Communications With Your Team

Since its acquisition last year of Augusta IT, an 11-employee IT solutions provider that was formerly one of EDTS' biggest competitors in the Augusta, GA market, Johnson has a whole new set of challenges. He's learning how to manage a new set of employees, and he's trying to grow without losing the high-touch traits of his small business that have made it so successful. Johnson's strategy in this area comes from applying what he picked up from *Mastering the Rockefeller Habits* by Verne Harnish. One of the five habits recommended in the book is for business owners to have daily communications with their employees, referred to as a daily huddle. "I have breakfast meetings with my managers, and, at the end of the day, each manager has a 15-minute huddle with their group," he says. During one of EDTS' daily huddles, Johnson was informed about a client's

reluctance to replace a tape backup system that wasn't up to standard. Rather than let the process draw out for several weeks, Johnson contacted the customer and explained his concerns. Not only did the meeting lead to a quicker sale, but just a few weeks after upgrading the backup system, the client's RAID (redundant array of independent disks) controller failed. "We were able to get them up and running within 4 hours," recalls Johnson. "Had they refused to allow us to fix their backup problem, they very likely would have lost a lot of very important data, which would have seriously hurt their business."

Secret 4: Pay Attention To Managed Services Trends

If there's one thing Johnson has become accustomed to in his business, it's change. He recognizes that the business he's in is dynamic — there's always new industry regulations, new threats to his customers' networks, and new technologies to address those problems. In 2004, years before managed services became a household term, EDTS was positioning itself for this new way of doing business. Nowadays, everyone is selling managed services. But EDTS has been able to distinguish itself from its competitors by handling the support that complements those services. "If any of our customers has a server go down, we can have a certified technician there within 2 hours," says Johnson. Few of EDTS' competitors can make this claim, and some take days to respond to customer problems.

Johnson has several plans for EDTS' continued growth in 2012, including expansion into new territories (Columbia, SC, and Charleston, SC) and adding VoIP (voice over Internet Protocol) to his company's list of offerings. "We've identified there's a real demand for this technology, and it's something our network specialists are equipped to sell," he says. One thing you can bet on with Johnson is that he won't sell any new solution until he thoroughly understands how it works and where its security vulnerabilities lie. One other thing you can bet on is that Johnson's VoIP vendor of choice will be a partnership based on another one

of his favorite slogans, adopted from former President Ronald Reagan: "Trust but verify." ●



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