

CENTRALITY OFFERS TRUCKING FIRMS TURN-KEY IT SOLUTIONS

BY STEVE BRAWNER
CONTRIBUTING WRITER

Trucking company executives have a lot to worry about. Centrality Business Technologies says information technology (IT) doesn't have to be one of them.

The new Tennessee Trucking Association Allied member offers network services and day-to-day operations support for more than 500 clients in a variety of industries.

For trucking companies, Centrality often manages the entire information technology network on a predictable per-user, per-month basis. Among Centrality's other services are managing and protecting servers, providing voice solutions, and installing network cabling.

Dan Kanabroski, Senior Business Development Consultant, said Centrality's experienced team of about 30 IT professionals can help carriers better understand their technology expenses and their actual return on investment (ROI). The company helps clients budget more accurately, avoid network downtime, and ensure key employees can access critical data as needed.

Traditionally, trucking companies avoid capital expenditure in technology

infrastructure – they often are unclear why upgrades might help their processes. However, in Centrality's model, their clients are able to refresh their technology regularly, increase capability, and improve their competitive situation with NO capital cost. This allows the companies to use their limited capital budgets for strategic investments that are truly differentiating, Kanabroski said.

"From 30,000 feet, it's really a way to step back and address, OK, what are you spending on an annual basis on your IT?" he said. "What are you getting in return for that? Is there a positive ROI? Is it a sunk cost? How is that spend impacting your balance sheet and cash flow statement? Where can we implement our strategies and our best practices to make you more profitable, give you capabilities and resources that you haven't previously had, and to get maximum output from your employees?"

He said some of the companies he targets don't have the resources or knowledge base to run a fully staffed IT department. Some potential customers rely on maintenance professionals who happen to be pretty good with computers, or on other employees with limited expertise. One new client operates about 200 tanker trucks and is undergoing an ownership change from the founding generation to the second generation. The technology is

outdated and inefficient, but the second generation wasn't comfortable updating it because of the presumed expense.

"I could sit here for hours and tell you stories about how we've saved companies a lot of real, hard dollars that they didn't even know they were spending," he said.

Kanabroski said trucking companies often see their information technology as a necessary evil or sunk cost, and not as a way to differentiate themselves from the competition. They have lots of inefficiencies and redundancies in their technology practices, and many times they have more than one high-priced vendor doing repetitive work. They often are investing capital in technology, without ever quantifying the value of that spend. Some companies, they find, don't appreciate the productivity costs associated when network users log in and out because their computers are freezing up. Many companies don't have policies around data protection and aren't firewalling that data from being hacked.

"I'm a big believer that your two biggest assets are your people and your data, and if your data is compromised, there's a pretty good chance that you're going to be out of business within a year," he said. "If your network data is lost, or somebody's hacked it, you are inherently put at a competitive disadvantage. In the trucking world, your clients need their freight moved irrelevant of your internal challenges. If you're not available, it's the next number in the phone book; I'll call the next guy, and he will move the cargo. With the razor-thin margins these companies operate on, that equated to lost revenue and lost profit. A lot of the time, we find data protection and security aren't on the radar of ownership and management. However, if you pick up a paper or turn on the TV, you know the threat is real and any company or industry is a target."

The privately-owned Louisville, Kentucky-based information technology firm, originally named Absolute Networking Systems, was started in 1996 and is owned by Noah Priddy. His brother, Dale Priddy, is Vice President of Operations and the company's chief engineer. The company's original focus was infrastructure, cabling and networking, but evolved to cover day-to-day IT needs and services based on their customer's expanding reliance on technology. Absolute Networking Systems went through a rebranding in 2015 and was renamed as Centrality Business Technologies to reflect this shift in focus.

"You simply can't run a business anymore without your central operations and central infrastructure network," Kanabroski said.

Kanabroski said he believes in value-added selling, partnering with his customers to implement solutions that create financial impact. He wants to help them plan for and meet their company goals, while improving their profitability by "removing operational bottlenecks that prevent more of the top line revenue from reaching the bottom line." Centrality's primary market is companies with 20-500 network users.

"Unfortunately I can't do anything about diesel prices. I can't do anything about tire wear. I can't do anything about engine wear and things of that nature," he said. "But what I can do in the trucking industry is lessen the impact of those expenses and variables through a more streamlined and more efficient operating model. So, when it comes to improving employee output, minimizing network down time, and reducing unbudgeted costs through better use of technology, that's where our clients tell us we provide the most valuable impact."

Kanabroski said Centrality can help

trucking companies take a birds-eye view of their operations. For them, the right technology can become a differentiator from the rigid industry competition. "I find myself working with a lot more CFO's, Presidents and trucking company owners than I do IT staff, simply because the conversation often becomes much more about the financial impact we can have on the company as a whole rather than the pieces and parts that comprise their network," he said. "I'm much more interested in approaching these objectives from an ROI-generating perspective, and making CFO's lives easier by alleviating the IT burden."

Dave Huneryager, TTA president and CEO, said trucking companies have no choice but to change with changing times when it comes to technology.

"I've been in this industry over 40 years, and it used to be all paper – paper and teletypes," he said. "And now it's all electronic, every transaction, the way we file, everything is digital. The further we go down this road, the more important it is."

Asked what the information technology space will look like over the next 10 years, Kanabroski said outsourcing "will be overwhelmingly incorporated into the industry," especially for midsized companies.

And for companies that don't learn how to effectively leverage their IT? Kanabroski said they won't survive.

"The ones who aren't embracing technology as a differentiator in their business and as a critical component of their growth and expansion, they're on their way out," he said. "Those companies will either be swallowed up by somebody else who is using that, or they will just go away because they can't be profitable." **TTN**



▲ Dan Kanabroski