

INTERVIEW TRANSCRIPT

Interview on behalf of Qwest

Rob Embry

ETS Lindgren

Last updated: 2010 Mar 31

Product(s): Cyber Center, Integrated Management, iQ: International, iQ: Private Port
Industry: Manufacturing

1. Business need

Rob Embry: I'm Rob Embry; I'm the MIS Manager at the Cedar Park facility of ETS-Lindgren. I'm responsible for the IT operations for what we call the Cedar Park Business Unit, which is one of the two larger business units within the test and measurement group, what we call ETS-Lindgren, which is a subsidiary of ESCO Technologies.

Jeff Border: I'm Jeff Border and I am a lead global analyst here at ETS-Lindgren, and I tackle those problems that are more global in nature and the systems that span all those locations like ERP and intranet/extranet, a little bit of Internet services, and really solve the problems with IT and architect solutions and things like that.

Rob Embry: ETS-Lindgren is the test and measurement subsidiary of ESCO Technologies. We provide solutions to our customers that help us to detect, measure, shield, and contain electromagnetic, magnetic, and acoustic energy. We provide solutions in the area of wireless, EMC, RFI, medical applications, and industrial acoustics ranging from antennas and test and measurement accessories to large test chambers. We essentially are a manufacturer --a highly engineered manufacturer -- that also does major construction projects around the world. We have offices in Europe, the States, and in Asia ranging from large manufacturing facilities to smaller sales and project management facilities.

The primary need was essentially our operating group is the product of multiple acquisitions as the corporate parent has found both synergies in market and in technology and in techniques and methods for producing the products, and we were reaching a point where we really needed to come to some kind of unified operating arrangement and really act as one company, and management saw data communications technology--voice, data, and the systems that go with it--as a strategic advantage, a strategic lever, to both bring the company together as one company and present one unified face to our extremely diverse customer base.

Jeff Border: This is a fantastic classic example of IT aligning with executive strategy. The executives wanted to bring ETS-Lindgren together more to serve our customers better because when we produce something, oftentimes it takes many parts of ETS-Lindgren to bring that together, collaborate for the solution; lots of engineers working together and bringing that together. And they saw this IT solution and Qwest's MPLS services and so forth as a very important foundation for that strategy to play itself out--serve our customers better.

2. Evaluation & selection

Rob Embry: What we did is we sat down and we wrote an RFQ that outlined our needs as we saw them and we provided that RFQ to multiple vendors in the space, some very large, well-known ones in addition to Qwest and a couple of others that sort of came in along the process. In other words, in one case we were dealing with another provider who had somebody that they partnered with and they heard that we were doing this process and they asked to be invited in, and so we asked for responses from I think four or five; we got three back and we compared the three on the basis both of the overall technology, what we saw as the strengths in customer service, and in terms of financial stability because we were very concerned that this was gonna be a long-term process and we wanted a vendor who was gonna be able not only to be there for us, but to be there for us around the world over an extended period of time.

Jeff Border: Kind of like what we do for our customers; we're not always the lowest bidder, but we wanted to actually go with the quality solution. And one of the things that I always warn our vendors about is that ETS-Lindgren is not a really big company; we have less than a thousand employees, less than a thousand nodes in our network, but we need that global presence, and so Qwest was ready to be there to actually bring that to us in a

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cost-effective way, but we knew that their financial standings were very good to do that for us.

3. Why Qwest?

Rob Embry: Well, let me back into it. One of the final three, if you will, we had serious questions about their financial stability. A piece of what we wanted in terms of the offering was not just the data capability, but also essentially colocation facilities. The one that had financial issues we also did not particularly--we were not particularly impressed with their colocation facilities. Whereas the Qwest facilities we thought were just absolutely first class; they provided what we need and also provided us a solution that executive management was interested in terms of alterability and compliance and security. The other major vendor was able to provide that, but we viewed them--after dealing with them, after asking questions and doing some comparisons, decided that they had some issues in terms of customer service that Qwest basically handled better--and since we're in the situation of if something goes down in the middle of the night in China, we have to be able to solve it. We thought Qwest was gonna do a better job of providing us that global reach than the other two of the final three.

Jeff Border: Right. ETS-Lindgren was looking for kind of a package. Not only did we need the technology, so we wanted to leapfrog up to an MPLS-based cloud and get away from leased lines and kind of the old-fashioned way of doing this. We also wanted an integrated solution with that colocated data center. ETS-Lindgren is gonna do it a little differently; we weren't going to set up our own data center, but we were going to actually colocate it and have Qwest--or we would have liked to have had our global network vendor actually provide that service as part of the bundle. And that's been fantastic. We're able actually to have that physically in one of our operating cities so that if we physically needed to be there, we could go to that data center, that colocated data center, and be there, although that hasn't been that necessary because it's such a well-run facility. But it was really that package that we were looking for. And other vendors kind of thought about that colocation idea as kind of a second thought, you know? It's like "Well, we can kind of sub this off for you."

Rob Embry: "We can put a rack in behind our switch" kind of a thing.

Jeff Border: It didn't appear to us to be a very integrated type of solution. We wanted to make sure that when we put a loop--an extra loop, which we've done--at our colocated data center, that we could get it almost at the drop of a hat and with very high quality of service.

4. The implementation/installation

Jeff Border: We had really good experiences. We have some interesting locations, physical sites, at ETS-Lindgren. You know, we have one location that's up in the woods of Wisconsin and we have another location that's in an urban area in Beijing, and interestingly enough, those can be difficult circuits to put in and Qwest handled both of those very well--especially in China where they had a very nice peering agreement and relationship apparently with the local telecommunications provider that really hooked up our office there. But they coordinated that very well. Those can be real nightmares, if anybody's done that before, where you can just get miscoordination and miscommunication happening between the different vendors that're actually playing. As a customer, you just want really to make sure you're staying on schedule, on budget, and work that out. I don't think we really had any significant delays in any of these circuits.

Another one of our locations in the woods of Finland, we really didn't have much of a problem there, I don't think, right?

Rob Embry: There were a couple of minor glitches that Qwest stepped in and dealt with in terms of the local peering partner, but that was--Qwest stepped in and handled the communications and we got the line in very expeditiously and it went through very much on schedule. The only implementation that actually went a little bit longer than scheduled was the one in Beijing, and that was not a datacom issue, that was a getting the equipment in the country

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and getting through all the customs hoops.

Jeff Border: Unrelated to Qwest.

Rob Embry: Totally unrelated to Qwest. Qwest's piece went like clockwork in China. It was great.

5. Overview of solution

Rob Embry: At this point, sort of the core of the network is our collocated facility which is in Qwest's Cyber Center in downtown Chicago, which is on their backbone and provides us essentially, from the Cyber Center into our cloud, a 4 x T1 connection. We have a 2 x T1 into our facility in the western Chicago suburbs in Glendale Heights and we have a 4 x T1 into the cloud from here in Cedar Park, and then the remainder of the facilities have a mix of T1s and E1s depending on where they're located--that would be upstate Wisconsin; we have one in Oklahoma; the facility in Beijing, which also has a satellite facility within the city with a locally provided leased line and our facility in Finland. Then we have a smattering of other offices, smaller sales and project management offices, that we're running with local Internet connections that we are running IPSec VPN tunnels in through the front door in the Cyber Center, and those are pretty much all pegged at T1 level. So it's a mix of data lines constituting the MPLS cloud along with a major collocation facility in downtown Chicago.

Jeff Border: On those latter offices that are Internet-connected, those are really utilizing Qwest's Internet services that we also subscribe to. It's worked out very well.

You know, a business doesn't go out and buy a global network for the heck of it, you know? You actually use it for something, and we had a need for that, and that's what drove that, and that actually came from an executive level here--the business leaders at ETS-Lindgren said "We really want to bring ETS-Lindgren together more and we think we can do that through some of the systems as well, but we needed a network to actually run that on." And we needed something that was very reliable; we needed something that had as low latencies as possible because our ERP system is--and a lot of systems like that are very sensitive to that; you have lots of users banging out transactions a lot, at a high rate typically. And we also needed something that would pretty much run itself; be very reliable; and the service that goes along with that to actually cover any problems that might come up. So ETS-Lindgren does not have a big IT staff; we have about six guys covering a little less than 800 employees globally in all those locations. That's a pretty crazy ratio usually these days in an IT department. So we did not want to have to worry about our global network, but it was so important that we needed to run that ERP system over it, and it's been a really good enabler for our company so far. It has been able to realize that dream or that initiative or that strategy for our executives. We also run some other systems now because it's so reliable.

6. Customer service

Rob Embry: We have overall been very pleased. We come from a background where we had had some services provided by another major telecommunications vendor and we were continually having issues with interruptions of service in various sites and the overall customer service experience was continuously an exercise in mutual finger pointing, so it was very refreshing to be able to come in and have Qwest take responsibility for it. We're using their integrated management facilities. I mean, we own the network hardware, but they're the ones that're watching the configuration; they're the ones that are pulling the traps on it. If we have an issue and the line goes down, they jump on it; they let us know. I get a text message; I get a call on my cell phone that we've got an issue, you know, where we jump the gap in Hong Kong going to Beijing and they work through, between the China Telecom people in Hong Kong and the China Telecom people in Beijing, and we get the problem solved--and it's just a great help. Basically, if we run into a problem, I go to my Qwest account rep and point her at it and she bulldogs it and makes sure that all the parties are talking until we get the problem solved. It's just--that was a major concern we had, that we were gonna have facilities in Europe, we were gonna have facilities in Asia, and we didn't want to be left holding the bag because somebody's network engineer is saying "Well, the problem is not on my side of the switch,

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it's on their side." And it's just been a true joy to work with Qwest because we have not had any major issues.

Jeff Border: We were upgrading our virtualization in our data center in doing that, we found that we had to--had a little bit of extra physical space. Physical space in a colo is a pretty high expense for any IT department, so we asked Qwest "Hey, can we borrow another rack for a while while we complete this project? We'll only need it for about three weeks while we work through this and then we'll move out of that extra space. How much is it gonna cost?" And "No problem, we'll just give you this rack, you know, a couple of houses down and you can have what you want," and it was just a very nice experience. I mean, that's a lot of what you're purchasing is the service and the responsiveness down to the actual colocation data center manager there. He was really great in working with us and just allowing us to move in there quickly.

7. Non-financial benefits

Rob Embry: I think it is fair to say that we could not be in business operating the way we are and where we want to go in terms of growing our business without the collaboration and the communication that the network provides us. We have engineering personnel on four continents; we have, you know, sales--both in-house salespeople and external reps that we deal with; we have strategic partners, and if we could not move the data, maintain essentially the central nervous system of the organism the way we do with the network, we could not function. It would be a whole lot easier to run multi-million dollar construction and engineering projects around the world if we didn't have it as a piece of strategic leverage. That's the way management looks at it--it's what makes keeping this very loose organization going in the same direction. I think that's probably the primary benefit of it and probably the hardest to quantify, but if we didn't have it, you'd know it.

Jeff Border: And one of the other intangibles is really options. We have options with this network, with these services. We have options that we know we're going to use but we haven't even started using yet. So those are really those intangibles, those that are really hard to measure that're really nice to have, that kind of gives you peace of mind as an IT guy.

Rob Embry: In terms of compliance, it's just the ability to basically hand the audit that the Cyber Center does of itself, with their external auditor, and give that to our compliance auditors and basically to say that "Here is a major secure data facility; we don't have to run it, we don't have to deal with the day-to-day operations of it. It's taken care of for us and it is secure, it is locked down, and our core data is secure because of it." Just makes the whole compliance conversation with our auditors much easier. If we were running our own data center, our life would be a lot more complicated.

8. Measurable benefits (Note: These results are unique to this entity and should not be considered an indication of the amount of savings or improvements, if any, that may be realized by any other entity subscribing to comparable services.)

Rob Embry: I think there's no doubt that if we weren't able to rely on Qwest's facilities and people, we would easily have to have two or maybe three times the IT head count we have simply because we would need more network people; we would need more facilities people; we would need more people on the first line, you know, in the middle of the night when equipment goes down. So I think that's why we run very lean and management would basically, if they're going to invest in head count, would prefer to invest in head count in the engineering and production facilities more than IT, and I understand why. So this has probably saved us from having to increase our head count in IT significantly. I think it's probably the single largest tangible benefit. It's also allowed us to probably do some standardization that would be a lot harder to do if we had a larger group and a more diffuse group.

Jeff Border: And that's just a huge cost savings. And even if IT did want to hire more folks, we would not necessarily want to hire just network guys--just run around playing with switches and circuits and monitor it and put out fires as they want. We really want to hire people who really, you know, enable the business more than just

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maintaining it.

9. Areas for improvement

Jeff Border: Very specifically, we really don't use our Qwest network so far for voice, and we would like to do that better. We're a global company and we spend a lot on communications--not just the data part, but voice communications. And so we're very excited to see what Qwest does with things like SIP trunks and various other more advanced voice services. They can offer us SIP trunks, but we're a little far--we have a rate center issue right now with that, and that really has a lot to do with our physical location here in Cedar Park. We're outside of Austin, kind of far from an urban center, and there's not a rate center to serve that SIP trunk, but I'm sure there will be sometime soon. Our rep will definitely make that happen as much as she can.

10. Future plans

Rob Embry: Management is quite up front that they are--between our immediate group management and management at corporate parent, ESCO Technologies--are very up front that we view acquisition as a major means of growth simply because there are so many synergies. The technologies that are our core technologies touch so many things that are going on in the world now between industrial acoustics and medical and wireless in the EMC/RFI space, so they view acquisitions of good close fits in terms of technology where there's a lot of synergy as a way to both grow market share and to expand our reach into markets that we have not touched before, and they are continually evaluating potential acquisitions at any point in time. So we fully expect over the next five years, if we want to go from essentially what is 150 to 160 million a year business to 250 to 300 million, we're gonna have to do a major chunk of that by acquisition, which means that we have to be able to parachute the IT guys in and bring the site up on the network with a minimum amount of grief--

Jeff Border: And lead time.

Rob Embry: --and lead time. And the MPLS network provides us the core platform for being able to do that. We were able to essentially get the Finnish operation up within a couple of months once management decided they wanted to bring it in; the biggest piece of lead time, I think, was the local telecom provider in Finland that we had to peer through. Qwest was great on it and it went very smoothly.

Jeff Border: In terms of voice, the notion of actually using SIP trunks rather than other more traditional voice services is really what we're kind of looking for and planning for hopefully from Qwest. But, you know, moving away from the old PBX approach and actually going to something that really is more flexible and more modern for us in voice communications.

11. Recommendations and advice

Jeff Border: Really, planning obviously. It seems obvious, but sometimes that falls by the wayside sometimes, especially when your business leaders are changing the plan as you go. It didn't really happen with us, but I advise any of my peers and cohorts to make sure you plan, and definitely include your vendors like Qwest. You know, Qwest was more than happy to work with us and help us a little bit on that planning; in fact, one of the personally more amazing things that I had with Qwest was meeting some of their network engineers and actually talking through the technical details of what would happen. I'm not sure if that would have been able to be possible with another vendor, but it was fantastic. We could get network engineers that were really knowledgeable about this. I've been doing this for 20 years--probably longer; I've lost count, but--and Rob probably as long--

Rob Embry: Longer.

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Jeff Border: --or more, and we know network engineers when we see them. So that was a very great thing.

Rob Embry: I think from a more macro perspective, the important thing is to have a good grasp of what your management's strategic objectives are and use that to shape the requirements that you're going to be asking the vendors to provide and then, you know, dig and drill and make sure that they address those because it makes the implementation process easier, but when management sees that what you're proposing fits their notion of the strategic objectives, you get a lot more management buy-in and you get a lot more support. I mean, this was not a cheap process, but basically management says "We've got to do this if we want to grow the business; it fits where we want to go" and we had their buy-in from day one, you know, going from a high-level concept down to when we actually broke out the details on how it was gonna be implemented. If you align your strategic objectives with what the vendors offer and make sure that they mesh, then the process is just a whole lot easier.