



INFO STOR

Another O'Neil **Success Story**

by: Vince Gaeta, Chief Operation Officer

There are O'Neil Success stories and there are O'Neil SUCCESS stories. INFO STOR is a SUCCESS story. Starting in 1993 with zero customers, zero employees, and zero revenue, today INFO STOR's three facilities are collectively billing in excess of 5 million dollars annually, with the very real prospect of doubling that number in the near future. Here is their story as told by Vince Gaeta, Chief Operation Officer during a phone interview.

In 1993 I opened INFO STOR in Santa Rosa, California. I literally opened as a complete start-up with zero customers, zero employees and zero revenue. It all started with the help of an IT consultant who recommended O'Neil after looking at all of the options available at that time. Based on some very savvy advice from my father, who said, "Pick the right system from the start because you don't want to go too far down the road and have to make a change later." He continued "Don't believe the salesman. Check their references and when you do go to their facility, listen and learn from them in order to see how they have things set up." As a result of this advice, I called O'Neil for a referral. I received one local referral and subsequently visited FARM, First American Records Management in San Jose which represented a two hour drive from Santa Rosa. Without hesitation one of FARM's two owners, Ken Saxon, recommended the O'Neil System.

My trip to San Jose proved to be a fateful trip. At FARM I learned how to setup a record center, configure the shelving and saw O'Neil software in action. Yet one key turning point was when Ken Saxon asked if Hewlett Packard was located in Santa Rosa because this was their biggest customer in San Jose and they had been urging FARM to open in Santa Rosa. I informed him that Hewlett Packard was the largest employer in Sonoma and Marin Counties. At which time Ken said, "If you decide to go with O'Neil, I'll call my contact at Hewlett Packard and tell them to use INFO STOR." Needless to say, I went with O'Neil, which at that time was a DOS product, and within 30 days Hewlett Packard became an INFO STOR customer. This was just the shot in the arm INFO STOR needed to get the wheels rolling.

Back in 2000 INFO STOR was plodding along. I was not getting the attention that I felt we deserved from O'Neil and coincidentally, this was about the same time that I was getting courted by other software vendors. I was seriously considering making the switch from O'Neil. Either way I was going to have to spend significant dollars as I was still running our centers on RSWIN and contemplat-

ing moving forward with RS-SQL. When I informed Ian Thomas about the crossroads that I had reached with O'Neil and openly shared a few of my less than favorable past experiences, he flew to Las Vegas within days in order to meet with me in person. He informed me that things were going to be different in the future. I am pleased to report that to date his promise was kept. Ian's dissertation and the events that followed proved that

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my choice to give O'Neil another chance and move forward with RS-SQL was probably one of the best decisions I could have ever made, as INFO STOR was on the verge of signing the single biggest deal that a privately held regional service provider could ever dream up.

It all started back in 1990 before I even got into this business for myself. I approached a large national insurance company located in our service territory who was storing records themselves and had been doing so for more than 35 years. Over the years I maintained a relationship with the person in charge and lo and behold, more than twelve years from the initial point of contact, I got a call from my contact who presented INFO STOR with an opportunity to partake in an RFP. They told us up front that service was paramount but at the same time they needed to cut costs. They informed us how they had been servicing their field offices, which they called clients, impeccably over the years and they didn't want any changes that would be perceived by their field offices as negative. In short, they did not want to turn this over to a vendor and have service levels drop.

All the big national and international players participated in the bidding process. The insurance company first thought they needed to do business with a company with their size and structure who had annual revenues exceeding one billion dollars. I kept emphasizing that they should look to someone who would give their customers the service that they had received in the past. In doing so, INFO STOR made the commitment to either meet or exceed their service levels. One of our core values is that we believe if you tell someone you are going to do something, you've got to do it. I pride myself on this, and in many cases I profess that I am going to keep my promise or die trying. I guess that I am a throw back in this regard, as I don't believe that you need a written contract to enforce keeping your word. I think that they began to believe that INFO STOR could provide the highest service levels and thankfully our references confirmed this point. Going into this deal, Ian came out in order to gain an understanding of the potential issues, and in doing so he assured me that O'Neil would get behind us to make this happen. We won the deal!!!

For an insurance company their field offices are their business. They wanted to make sure everything was right going into this relationship with INFO STOR. We're talking about moving 330,000 containers consisting of more than 8 million file folders. They have historically added about 3,000 to 5,000 containers a month and 30-75,000

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**InfoStor Retention Box waiting
to be scanned and shelved**

file folders a month. They have 350 claims offices that need to access their stored information through our RS-Web system. We would also need to open another facility in Missouri and run all activities through one data management system in California. Now we really needed to tap into the resources that Ian Thomas emphasized O'Neil had to offer.

From the point we were the selected vendor of choice there were meetings, meetings and more meetings. I am an entrepreneur or big picture guy and definitely not an IS or technical person, so I decided to fly in Dana Taylor and Dale Anesi from O'Neil to assist in these meetings. At any given time there would be two conference rooms filled with up to 30 people in each one. These groups included seven IS people on their side of the table splitting technical hairs. Thankfully Dana and Dale helped INFO STOR effectively address each and every issue that needed to be dealt with to transfer all this information to RS-SQL from their antiquated ASO 400 system. I learned during these

meetings that a policy or claim file to an insurance company is like oil to an oil company. They had to be 120% confident in what INFO STOR and O'Neil was selling before they could commit to moving forward with the transition plan.

It was time to spring into action. We opened a record center in Missouri. We staffed this record center with the insurance company's employees that would have otherwise been laid off. We had custom programs written from O'Neil to read their barcode labels and O'Neil handled the conversion for us. When we finally went live everything went exactly as planned. O'Neil had met the challenge that we presented and was there for us every step of the way.

Six months after INFO STOR successfully transitioned the insurance company's records into our facilities and system, we were invited to the insurance company's headquarters. The first thing that they said during this meeting, "We are in this for the long run as INFO STOR has exceeded our expectations — You not only gave our customers better service than we could have in the past, but you also saved us money." A huge part of INFO STOR's ability to deliver high service levels is RS-Web and the efficiencies of RS-SQL. Each field office requests via the web and if they have a question or need to call, we have a support system. We provide on demand scan and send the information electronically or, if they prefer, we send by their preferred carrier such as FED EX™.

When we initially constructed the contract we were told that the contract took into consideration their parent company, subsidiaries and affiliates. They further stated that what we received initially would only represent approximately half of the big picture. If we achieved the goals set forth in the agreement we could potentially get the whole deal. I am proud to report that we have achieved the goals and as a result thereof, they are now in the process of making the arrangement to send us all of the subsidiaries and affiliates over the next twelve months.



Before all of this happened, we decided to try our hand in Vegas as of 1996. We entered the Las Vegas market by purchasing a small inventory from a nationally operated moving and storage company. We realized going into this market that timing would be paramount and in order to out run the alligators we would have to grow the business at an unprecedented rate. In Vegas, we literally "lucked out" when the only major game in town sold to one of the big two publicly traded record management companies and subsequently rates went up and service went down. While they had transition issues, we picked them apart by beating the drum on "Service, Service, Service". We focused on who we wanted to do business with and went after them. My entire marketing plan was "to get the tour" because, once I got the customer in for the tour, I could show them the facility and demonstrate the system. Nine times out of ten, the tour sealed the deal.

From 1996-2002 we grew at an average annual compounded rate of 60% per year in Las Vegas. We attribute this to looking people in the eye and then carrying through, just as we had done in Santa Rosa. The old wily east coast attorney who set up our Nevada Corporation put it best when he said, "Las Vegas is a transitory place and a lot of people are out to scam whoever they can. If you do what you say and give people good service, you do nothing but grow." This was exactly the case; we got one hospital, which turned into seven. Same with the hotels and casinos; one turned into two and so on. Now we have a lion's share of the casinos

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in addition to various city, state and government agencies, the largest utility company, title companies and so on. We just completed moving into an 87,000 square foot building to keep up with the growth. Collectively from our three facilities we’ll do in excess of 5 million dollars in revenue this year combined. Not bad for a start-up.

The moral of the story is that O’Neil now views their customers as more than just a number. They worry more about how they can help us grow in order for them to grow with us instead of ‘how can we get more money out of them.’ Like I tell our Service and Management Teams “our customers pay the rent, our salaries, our utility bill and so on.” I believe that O’Neil feels the same way I do. Working with them over the past two years has completely changed my opinion. They became a part of our organization when they stood shoulder to shoulder with us in a collective effort to win a huge piece of business. When we had the opportunity, and needed to have high-level support, they were there for us and helped to make it happen. That was a very proud day for us and O’Neil was a big part of that. O’Neil gave INFO STOR the quality support we needed just as Ian had promised.

Finally, I should note that I am proud to say during this remarkable journey that the very first employee that I hired back in 1993 is still a part of our team. Her name is Angie Allen. I would also like to note that INFO STOR wouldn’t be in this position had I not surrounded myself with my two other partners; Jamie Smith and Elaine Wong. Together we complimented each other’s strengths, as they were interested in “doing” and good at all the things that I wasn’t and vice versa. Recently we brought in a new President, Gary Lentz. Gary is a U.C. Berkeley Business School Graduate and degreed C.P.A. with more than ten years experience in sales and high finance working out of San Francisco.

During his career, he has placed funds to finance everything from fleets of railroad equipment to oil tankers, with an average deal size of 100 million dollars plus. During his initial term with INFO STOR he has put a number of deals together already and currently has enough business on the table for us to double our size again. At this time, we are looking at keeping up with this growth rate and the challenges of accommodating this growth within our present data management system that was just purchased less than one year ago. In doing so, we are in the midst of tapping into O’Neil’s support once again. “Oh well, I guess this is a good problem to have...”

Vince Gaeta, Chief Operation Officer

