

Member Highlights : Spotlight Interview

Intersect, Inc.



Munger

Intersect, Inc. (<http://www.intersectinc.biz>) specializes in finding the most cost-effective technologies and services, and then integrating them into a streamlined, custom-tailored solution. Intersect's core products, provided through strategic alliances with manufacturer partners, include a range of integrated electrical service panels that combine transfer switches, suppression and load centers. Intersect fulfills custom products and provides prompt service, on-time delivery and high value-for-the-dollar solutions. Mary Munger, president, spoke with PulseOnline staff about Intersect's products and services, strategies for market growth, the challenges of managing a small business, and the value of TIA membership.

Tell our readers a little bit about your company.

Based on the belief that there is a place in the market for a company offering high-quality integrated power solutions at an affordable price, I founded Intersect in November 2001. Prior to starting Intersect, I spent many years offering the telecommunication sector transient voltage surge suppression (TVSS) devices. Those contacts and that experience made integration technologies and services a natural progression.

In a price-conscious market, the requirements to keep costs down and applications up are apparent. What isn't as apparent is that customer demands and expectations increase in almost direct proportion to their budget declines. In my opinion, this is a perfect niche for small businesses that focus on customers and develop product concepts that are fluid and economical. At Intersect, those product concepts exist in integrated electrical panels and surge suppression.

What market does your company serve, and what drives demand for your products and services?

Intersect serves all markets served by the electrical utilities. This is because demand is driven by the desire for reliable power, cleansed from over voltage "spikes" or transients. The driver or challenge for the operators in our market is to keep the communications system — wire line, wireless, cellular, personal communications service or internet — on line so that revenues stream and customers converse seamlessly.

With an under-sized and old-aged utility grid, combined with the natural hazards of windstorms, ice storms, snow storms and lightning, this is not as easy as simply wiring or plugging into an available alternating current (AC) outlet. Communications operators rely heavily on generator sets, batteries and uninterruptible power supply (UPS) systems to supplement utility power. This means they require a main disconnect and load center, a TVSS — to protect the electronics from the storm or utility-generated surges — and maybe a transfer switch, generator receptacle and generator.

These multiple requirements have created the demand for Intersect's products. Instead of having to purchase and install four or five pieces of electrical equipment, Intersect's customers buy one integrated panel that combines the main disconnect, load center, TVSS, transfer switch and generator receptacle into one cabinet.

Because of the integration partners that Intersect works with, the customer isn't tied to one cabinet design, one brand of load center, one type of transfer switch or even one surge suppressor. Telecommunications operators build their sites "from the ground up." Customers are disinclined to accept substitutes, because a change could mean a loss of the on-line revenue stream. Intersect is prepared to respond to specific requirements to satisfy discriminating telecommunications buyers.

Tell us about your customer service philosophy and what sets Intersect apart from other small companies.

Intersect seeks to define problems and find proactive solutions, ranging from creative custom designs to keeping service high and overhead low. Intersect has been able to bring "older" manufacturers into the "newer" telecom market by using their expertise, experience and capacity to tremendous benefit. The key is to earn trust day after day by providing consistent, persistent, and potent service.

To set Intersect apart, there was a deliberate intent to solicit customers who would provide us an opportunity to compete. The approach is to win mindshare: to put people first and honor their requests for information in a timely fashion.

We also look for ways to leverage our business structure and ownership into customer benefits. Intersect works with part-time professional consultants and minimum office staff. This allows us to partner with specialized consultants and firms with large technical service staffs in order to provide high levels of customer service while maintaining low overhead costs.

In addition, Intersect is a certified Women Owned Business Enterprise, which means we offer great products at great prices and

fulfill supplier-diversity requirements.

Explain your strategic plan and factors that will contribute to expectations for market growth in the next few years?

In terms of product demand, the “lean” years this sector has experienced are natural results of cutbacks in capital expenditures. If the telecommunications operators aren’t building sites, we’re not selling parts. While the sales environment is improving, there are still more suppliers than there are business opportunities.

Another challenge is the shortening of product life cycles. People used to think that if you built a high-quality product with patented features, it would create customer loyalty, but programs like ISO and Six Sigma have made quality the price of admission to the market. Reverse e-auctions are driving prices down as soon as a customer standardizes on a product line or design, because it essentially turns unique products into commodities within years, months or even weeks. This environment makes it increasingly challenging to win and maintain market share. .

Diversification is essential to leverage sales when a partnership relationship with a customer is established. At Intersect, diversification is vertical. We are pursuing business with telephone line, wireless and Wi-FiTM providers, as well as with the original equipment manufacturers and the federal and state government sectors. Diversification is also horizontal. We are building panels and cabinets that contain two or more components, as well as other customer-specific equipment.

In the first year of business, our integrated panel designs used automatic transfer switches in place of manual transfer switches and included a surge suppressor with unique performance and integration benefits. These innovations were customer driven — all Intersect did was to make the customer-driven design affordable by giving up “ownership” of manufacturing for the privilege of working with lean manufacturers who had the willingness and foresight to dedicate capacity to the Intersect designs.

This year, Intersect is making a name in other varieties of integrated panels that may or may not include transfer switches or the same TVSS device. This is because Intersect has stepped up to the customers’ requests and erased the lines that form around a manufacturing-based company. Intersect is capturing market share because it is willing to share the market — with its customers and with its manufacturing partners. Mindshare brings us opportunities. Intersect leverages the opportunities to WOW the customer—and thus acquire new opportunities.

What is the single biggest challenge facing your small company today, and what are you doing to solve it?

Like any business, large or small, we have limited resources. Since our objective is to remain a lean organization, we must find ways to continue to work smarter and more efficiently. Using marketing resources wisely and targeting customers through strategic business development contacts are key elements of Intersect’s success.

We look at the cost to participate in a tradeshow and say “could we get more results for our money allocating these funds towards direct sales calls?” In sales, we strive to keep travel expenses down. You won’t find us at four-star hotels unless it’s an internet special, and first class flights are courtesy of frequent flyer upgrades. Only by evaluating the opportunity costs of our actions and being receptive to new possibilities can we ensure we are maximizing the use of our resources.

How does your participation as a member of TIA help your business?

Like most small businesses, my first association with TIA was as an exhibitor seeking a discount for my booth at SUPERCMM. As a TIA member, I realize the SUPERCMM member discount is only part of what TIA has to offer. Networking, knowledge and the power in numbers (public policy influence) are the real benefits of TIA membership for Intersect. Attendance at TIA-sponsored events such as the TIA Advantage Series provides business development paths and partners. TIA shows are not only exhibitions for customers, they are networking opportunities for manufacturers, service providers, VARs and, yes, integrators.

Three years ago, I was elected to the TIA Board of Directors. I also currently represent TIA on the Board of Governors for the Electronic Industries Alliance. I firmly believe that the expenses that I incur in support of the TIA dues, activities and Board meetings return in multiples of two to ten times their costs. Even when there isn’t a direct, measurable return, there is a gain in knowledge and visibility that enhances the mindshare that distinguishes Intersect’s success.

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