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JANUARY 2009

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**6 TOP
MINNESOTA
BUSINESS LEADERS
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ON THEIR MINDS
FOR '09**

HOW TO
SURVIVE AND
THRIVE
IN TODAY'S ECONOMY

► COVER STORY:

as featured in
MINNESOTA BUSINESS
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The biggest thing we are doing right now as a direct result of the economy is forecasting on a weekly basis. That is a very different model for us and has allowed us to become much more effective and efficient in terms of understanding the business. It has also allowed us to see areas where things are slipping and to spot delays in the budget decisions of our customers or potential customers.

From our picture right now it looks like these are not just 90 day delays. Companies are really on the fence waiting it out to see how things are going to shape up in the first and second quarter of this new year before they make any significant buying decisions. This downturn is going to impact us at least through June.

Of course we have to find new ways to communicate the value of what it is we sell. We've rolled out a full education plan on unified communications systems, we've developed ROI tools to allow decision makers to be more effective with equipment they may already own or learn how they can get improvements with just an upgrade. We started Cross University learning services program three years ago and we feel as if it is really going to be the driving force in terms of equipping the customers we have coming through to be a lot more effective in telling the telecom story to their executive leadership when they go back to their companies.

On the positive side, this economy is forcing us to have certain conversations. We feel like we are really refining ourselves as we are focusing more on new business as well as becoming more strategic in our support. We've also initiated a new executive leadership program with our core customers helping us drive millions in new revenue.

From an entrepreneurial standpoint, these are all things that are allowing us to mature. We're evolving and becoming a little less seat of the pants in terms of our decision making and adding structure and discipline and becoming more of a professional, enterprise-type business. This is a positive thing after the years where it was just grow, grow, grow all the time.



Bob Coughlin // Founder, CEO, Cross Telecom

“The economy has forced us into **new ways of thinking.**”

We put together a track of three separate business units at the beginning of 2008 and each of them has to have standalone profitability and that has helped us as the economy started to sour. Our goal is to simply surround the customer with more tools, including proprietary products and applications that we have made a significant investment in developing ourselves. As we do that, we have discovered the potential for entirely new, separate and profitable business units, and all because the economy has forced us into new ways of thinking.

The strong do survive, you can put distance between your company and the competition and good can come out of tough times like these we are in. As another example of that, we have recently had some discussions with companies that you might not think of as players in our space and they say they're looking at business differently these days. Specifically,

they're thinking about consolidation and saying maybe there should be mergers. So whether they acquire, or we acquire, that kind of thing is going to fast track in this economic environment. And that's opportunity, right?

The best thing for us is we recognized as far back as a full year ago that the business was changing quickly and that we needed to recalibrate the way we did business. So we made adjustments, retooled our team and started the transition towards a new kind of company well before things really got bad. Now we feel as if we are in a position to take advantage of that.

For a long time growth was our only measurement of success and now we look at a lot more than that. My sense is that companies won't be making large capital decisions for some time and we now have a business model and a value proposition that makes money even in that environment. This will allow us to be solid for however long the downturn lasts and if the economy gets traction and things open up then all the better. **MB**

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