

CASE
STUDY

OctoChem



NetGain⁺
TECHNOLOGIES

technology[®]
oneSource



OctoChem has become a market leader in providing services that improve efficiency, reduce risk, and deliver a competitive advantage for its clients.

Profile

Located in America's heartland, OctoChem puts its global network to work for its clients. The south-central Illinois company has become "the leader in sample fulfillment services worldwide."

Since 1995, OctoChem has provided marketing services to the chemical and biotech industries. It has become a market leader in providing services that improve efficiency, reduce risk, and deliver a competitive advantage for its clients.

The manufacturer offers full service chemical sample fabrication, logistics, support, and reporting.

Its specialty distribution services allow OctoChem to process and fill variable size orders that are beyond the capabilities of many product manufacturers. This flexibility also allows OctoChem to process the same products used in sampling to produce sizes for small-order sales, and to package multiple products into variety and trial-size packaging. OctoChem facilitates efficient sample sizing: Product costs stay in control by sending only the necessary amount of product for evaluation and order. The company's clients have found that adjusting sample size translates to quicker evaluation and decreased time to order.

The company professionally packages and custom labels clients' products of all types and sample sizes in accordance with applicable regulations. OctoChem can provide services for samples requiring dry ice or ice packaging. OctoChem employees receive necessary training to be compliant in specialized material handling. The company utilizes continuous process improvement (CPI) to achieve high quality results.

OctoChem credits its success to the relationships it builds with each client. The samples marketer stresses communication and collaboration as it fulfills its mission. Representatives from the company listen to client requests and then customize or invent new processes to fill their needs.

Challenge

After being in business 20-plus years, OctoChem “has grown exponentially over the past three years,” according to Denny Grant, the company’s general manager.

Mark Langston, OctoChem’s president, recalls the technology struggles brought about by rapid expansion. “We outgrew our legacy systems and resources quickly. Our physical technology in the building—servers, network software—we just outgrew it, and we did it very quickly.” The company’s growth coincided with another challenge: “At the same time, we lost our in-house employee who had supported our I.T. needs for years.”

After sharing that background, Mark reconsiders. “Technically, we outgrew our internal I.T. resources three years before all of that happened. As far as I’m concerned, we crippled our growth by holding off on better I.T. support. The position grew beyond our internal resources—we didn’t recognize that early enough.”

For a while, “we were spending all our time trying to recover from infrastructure problems. We created some customer dissatisfaction,” according to Denny. “It was a tremendous amount of downtime. Our systems were literally crashing on a daily basis, sometimes multiple times, which affected our ability to receive and process orders. This all went on for a few months before we were able to get stabilized.”

Mark and Denny are both convinced OctoChem suffered an economic impact, but the company’s circumstances made it difficult to measure the loss. “As this was going on, our business was growing rapidly,” Mark recalls. “What we did lose was probably hidden because of our growth—we didn’t realize the extent of it.”

Mark remembers the effect on OctoChem’s payroll. “The amount of overtime we were running was unprecedented. We have 130,000 square feet of warehouse, and we were blindly looking for things.”

Denny agrees: “I was working seven days a week, 12 to 16 hours a day for several months. It was very discouraging for people. They were trying to do all the right things to make customers happy.”

“We had a huge challenge to keep staff from thinking this was a sinking ship,” Mark explains. “It wasn’t sinking—we were just running out of fingers to plug all the holes.”

“
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Mark Langston
President



Solution



“We finally hit the wall and it took about three months to make the decision and choose our vendor.”

OctoChem markets to chemical and biotechnology companies, telling them there’s “no need to dedicate additional staff” to samples fulfillment. The fulfillment company advises its clients that an outsourced solution may be more efficient than adding in-house staff. That perspective made the concept of managed I.T. services relatable when OctoChem had to consider its own challenge.

“Realistically, we should have done it three or four years earlier than we did,” Mark Langston recalls of the decision to find a technology partner. “We finally hit the wall and it took about three months to make the decision and choose our vendor.”

During a discussion about OctoChem’s I.T. woes, “my brother told me, ‘Outsource it, dummy. You need a third-party company to take care of you... your headache will go away,’” Mark recalls. “He gave me a list of companies to talk with. NetGain was on the list.”

Mark’s brother recommended a mid-size managed I.T. services provider (MSP) with local support: “someone who’s able to offer onsite support until you’re back where you need to be.”

Mark enjoys the memory of contacting NetGain Technologies. “I was the perfect customer. They kept telling me why I needed to outsource, and I kept telling them, ‘I know.’”

When OctoChem signed on as a member of Technology OneSource managed I.T. services, the NetGain Technologies team immediately began evaluating the manufacturer’s infrastructure to ensure a clean transition.

Mark attributes much of his satisfaction to the Technology OneSource team he first met during the onboarding phase. “One of the things I personally appreciate is that not only does NetGain assign a field tech to your account, they also look at the culture of the business and choose someone who will fit and work well in that culture.

“Josh Medley is our field tech. I give Josh much of the credit for our success. He works very hard, is very logical, has great ideas, communicates what our top priorities need to be, talks us out of things we overprioritized. He was here weekly for quite a while. He was instrumental in setting us up, working side-by-side with our employees. He quickly gained an understanding of our needs and the nature of our business. I’ve told him and his boss, and his boss’s boss: He deserves lots of credit for what he’s done here.”



Results

“
I told them I want to be able to sleep at night again, not wondering whether we'll be functioning in the morning... the 5 a.m. emails about a system down have gone away.”



Denny Grant
General Manager

OctoChem has fully transitioned to outsourced I.T. under the Technology OneSource model. The manufacturer has replaced the legacy systems that caused Mark and Denny headaches during the company's period of rapid growth, and has implemented scalable I.T. resources to better handle short- and long-term growth.

Technology OneSource engineers now provide 24/7 support of OctoChem's I.T. environment with proactive technology management; network administration; reactive support services; and periodic business reviews.

Proactive services include around-the-clock network monitoring, server updates, hardware maintenance, and data backup.

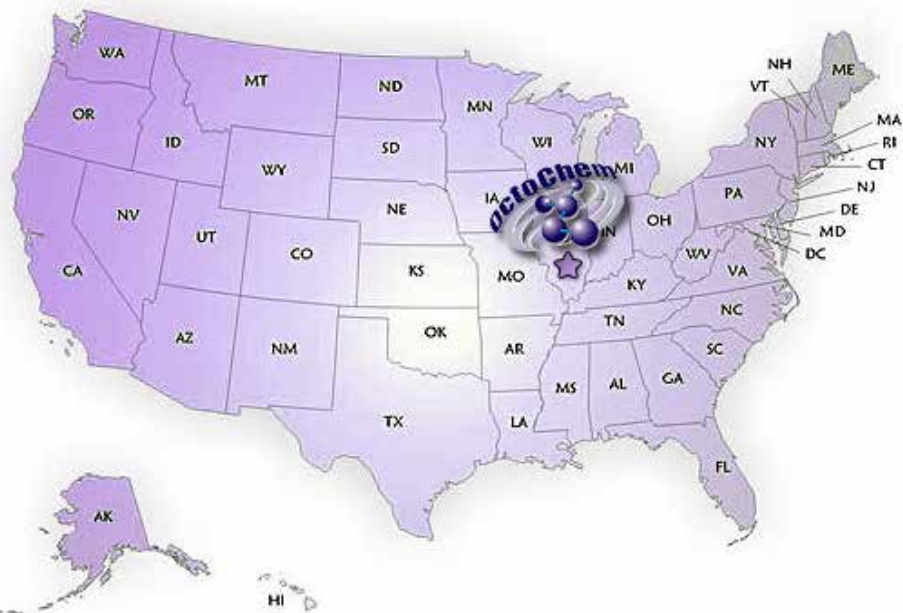
Technology OneSource also provides dedicated network administrators for software and license management, monthly reporting, and vendor management.

When hardware or software don't work as expected, a customer support team is always ready to step in. The network operations center at NetGain Technologies features live help desk engineers who resolve most issues remotely. On-site support is also included in the program for user additions, moves, and changes, or for hardware and networking support that cannot be serviced remotely. Reactive support services also cover mobile devices and "how-to" questions. OctoChem end users contact reactive support engineers by phone, email, and a proprietary customer portal.

Mark comments that the periodic business reviews are what sets Technology OneSource apart from other I.T. service providers. "We've gone through a few reviews. I like the methodology. I like the quarterly reviews so we know what NetGain feels our current priorities are. We have input into those priorities, what we should be working on. I think it can be easy for a service to become remote, distant. Having the onsite presence and regular reviews, with our lead engineer here, I think they very much understand our business. And it's critical they do. The reviews give us an additional comfort level, knowing someone's contributing directly instead of 100% remote. If NetGain had been just a NOC or just a helpdesk service, I know I would not be nearly as satisfied. [Technology OneSource] is a lot more than a helpdesk to us. It's customized to us, or I feel like it is."



Raise the I.Q. of your **I.T.**



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