

## **Data centre will help companies facing megabyte meltdown**

CAMPBELL Lee, the venerable computing services firm, is making inroads into the disaster recovery and business continuity markets – to the extent of setting up a data centre in Glasgow to rescue companies in megabyte meltdown.

Clients will be able to move into an office set-up with systems which mirror their own and carry on doing business. Campbell Lee says the outage time in the event of a worst-case scenario can be reduced to minutes.

It is appropriate that the Falkirk-based group should be specialising in getting out of scrapes. Jim Lee, founder and managing director, said that responding to crises – from disappearing markets to technical change – had given the company plenty of experience.

"In the nineties, we were dealing with six different whisky companies, providing manufacturing resource planning," he said in his HQ just outside the town centre. "That market disappeared when Strathclyde Institute stepped in and dominated it.

"Then we developed systems for three major financial institutions, but that work ceased too. And we've seen the electronics sector boom and fade. Scotland's manufacturing industry is closing down faster than any government agency can do anything about.

"But we are very Scottish – and that means we are adaptable."

Lee has had every need to be adaptable since he established the company in 1977. Initially, it specialised in "making the technology transparent" – that is focusing on the people who were using the machines rather than the machines themselves. Most of the work was in the manufacturing sector.

He has seen most of his competitors who came into business then and since fold their tents and walk away from the current economic storm. In contrast, Campbell Lee has just returned to a small profit on a turnover of £14m – although that is down from £18m in 1999. The group is now employing 95 people.

The years have given him a disdain for the fleeting fashion of management buzzwords, although he said: "In services, the script from US gurus is that you find a vertical niche – which you stay in, and make it repeatable.

"But there is not a big enough vertical niche in Scotland to sustain companies of the size that we had reached. The fundamental business has not changed, but we have had to adapt to circumstances.

"Our revenue streams have changed and we're looking for how the market will come back."

Different industry sectors, Lee said, used to have different cycles and when Campbell Lee saw one go down, another one was usually on the way up. But the year 2000 meant that everyone re-synchronised and suddenly the waves were all moving in the same pattern.

"Nobody is doing anything dramatic just now and they haven't for the last three years," he said. "It has been compounded by the economic downturn.

"But we watched what people were investing in – like low risk security and network infrastructure security – so we have grown the team which deals with that."

What has made Lee perk up – in an environment of low-margin commodity work – is that returns on security work make it appear to be the next big thing. The business continuity and disaster recovery side brought in only £1m but created most of the profits.

Campbell Lee is unusual, he said in offering high availability premises – a complete mirror of a customer's computer which, in seconds, can have all the same information as the main one.

In the event of fire, flood, or worse, key workers – from the finance director to accounts, order processing and purchasing – can carry on the business, and selling, without interruption.

Clients pay an annual subscription, which varies depending on the complexity of the infrastructure they require, but typically ranges between £6000 and £15,000. Some clients want priority, or exclusive access, and Lee is considering building more centres to accommodate demand. Their target market is the upper end of the SME sector, and demand is being driven by the fact that insurers often will not provide cover without a demonstrable disaster plan in place.

"Finance and human resource directors are sitting with the real concern that they won't be able to get insurance on the computer suite at all," he said. "High availability disaster recovery is certainly our growth area now."