



We deliver the SMB Marketplace to you.

Working with the Community

Since 1980, we have accumulated a wealth of experience and intellectual knowledge by working with 350 IT companies. We help them develop and implement effective strategic go-to-market programs, including: direct, channel, hybrid, retail, etail, managed services and SaaS models.

To boost your channel sales, we:

- Work with IT Vendors to rev up their sales through the Resellers that service the \$172 billion slice of the elusive SMB space. We engage, enable, collaborate, track and measure results, manage and maintain relationships, evaluate programs and quantify results of channel activities.
- Work with Resellers to help them successfully market and sell IT solutions.

Utilizing our intellectual channel marketing knowledge, databases, alliances, skill sets, experienced staff and management we:

- Provide Vendors with a suite of end-to-end effective, cost efficient channel marketing vehicles, tools and programs that are measurable back to ROI, including:
 - Provide Resellers with a FREE suite of fully customizable marketing and sales tools.
 - Publish eChannelLine Daily News, ConnectIT, Channel Advisor and a wide range of special reports and custom publishing services.
 - Develop and implement end-to-end lead generation and loyalty programs.
 - Create industry communities through the ChannelLine Advisory Council and the Channel 2.0 Initiative.

Marketplace Overview

Market	Retail/SOHO (under 10 seats)	SMB (10-500 seats)	Mid/Large (over 500 seats)	Total
Number of businesses	78.5%	21.2%	0.3%	100%
Number of employees	11%	40%	49%	100%
Annual IT sales	\$83	\$299	\$368	\$750
Sales via VAR Channel	\$8	\$240	\$74	\$322
Sales by 50 -7,500th largest VARs	\$4	\$172	\$30	\$206
Purchasing habit	Retail	VAR	Direct	

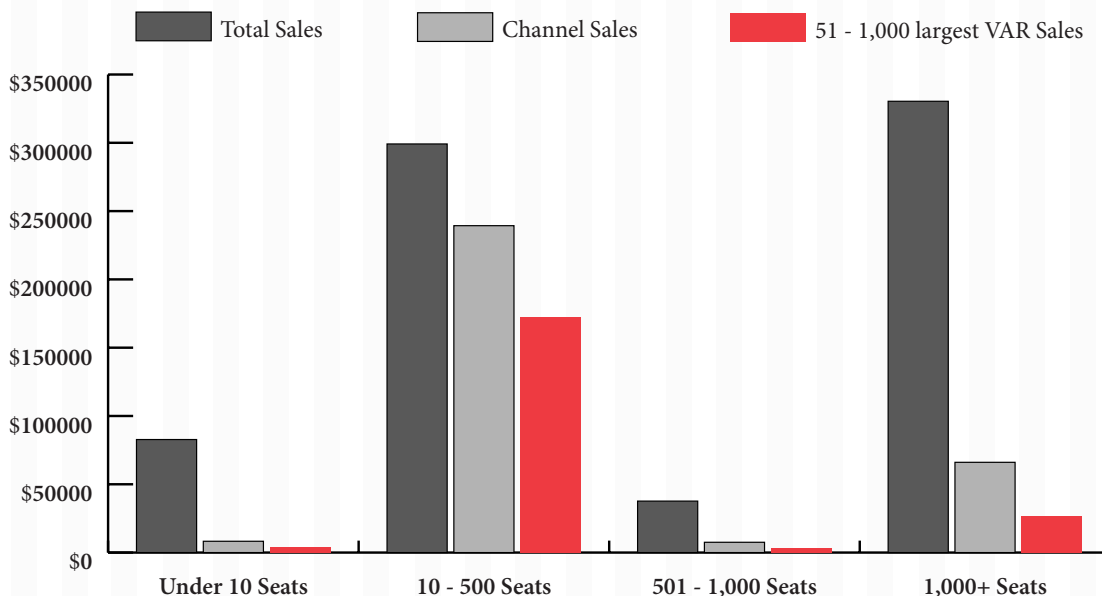
Note: Amounts quoted are in \$US billion. Figures quoted are approximates based on merging of various reports.

**Small & Medium
Businesses
(SMBs)**

- Global IT annual sales are \$1.3 trillion, with the United States accounting for \$715 billion and Canada at \$35 billion.
- The most sought after and, simultaneously, most underserved segment of this market is the SMBs (*businesses with between 10 and 500 seats*).
- SMBs are hard to reach and even harder to service.
- Individually, SMBs do not have huge IT budgets. Collectively, in Canada and the US, they represent annual sales of \$299 billion.
- \$172 billion of these sales flow through the 51st to 7,500th largest Resellers.
- SMBs allow for higher margins because they do not negotiate collectively and lack the buying power of their larger counterparts.
- Increasingly, Vendors are placing a stronger focus on creating solutions for SMBs.
- Most SMBs don't have an IT solution-focused department.
- SMBs need IT solutions that give them a competitive edge and help drive profits.
- SMBs purchase about 80% of all IT products through a Reseller.
- They trust their Reseller and typically have very strong personal and business relationships with them.
- When they ask their Reseller what products/brands they should purchase, 90% of the time they accept their suggestions -- verbatim.
- SMBs rely on their Reseller to remove the FUD Factor (*fear, uncertainty and doubt*) and to ensure that the various products work together as a consolidated solution.
- SMBs expect their Reseller to stay around to: help train employees; provide ongoing service and support; configure new products brought into the solution; ensure that the SMB stays current; and provide additional solutions that will give them a competitive advantage in the marketplace.

References to Resellers include VARs, System Integrators and System Builders. Retailers and etailers are not included.

North American IT Business Sales



For more information, contact your Account Representative today
or call us at 1(800)465-2059