

# Tough times call for good strategies, technology



John Deans

A couple of years ago we were paying \$4 for gasoline and \$5 for diesel, which hurt everyone's check book. Many cursed the oil companies and were convinced that it was some big conspiracy while it was actually a negative combination of events and market forces that shot the price of oil to \$150 a barrel.

The summer of 2008 hurt my Quickbooks also since I was tooling around Washington County in a Dodge 1500 pickup getting only 13 miles per gallon, which set me back around \$700 in gas every month.

Even a client of mine who specializes in oil and gas well services was hurting due to their high fuel costs that mirrored mine — only on a much larger scale.

My client's bottom line was hurt even though they were in the "oil industry" since their billing rates were not increased but their expenses were jacked up due to the record run up in oil prices. Adding the new Texas Business Tax that year onto the high fuel prices and small businesses were challenged to say the least. Since they could not easily increase their well service rates, they worked even harder by expanding to gas well sites in other states, hiring more operators, and cutting technology expenses.

Due to the nature of their business, each operator out in the field had a laptop with Internet connectivity to email

daily well production reports into the petroleum company bosses. My job is to configure and maintain those laptops, manage the email flow, and keep the spyware from clogging up system.

In the years past we were spending \$800 on a new laptop for each additional operator hired to deploy out to the field. The further I look back in time the more each laptop cost them. Those high fuel prices in 2008 made us all look at other ways to cut expenses and laptop costs were a big target.

That's when Harper of Computer Helpers showed us a new smaller laptop from Acer that was called a Netbook costing around \$350. It had a smaller footprint and a condensed display but the battery life was much better than standard laptops.

It also came without a CD/DVD player, which turned out to be a good thing due to some usage issues we had been battling with some problematic employees — if you get my drift.

We bought just one of them as a beta test to see how it would perform out in the field. The way Acer got the price down so low was using legacy Windows XP and fixing memory at only 1 GB of RAM.

Since XP runs fine with only 1 GB, this was no problem. Vista and Windows 7 need at least 2 GB while XP hums along under just 1 GB of memory.

The Acer Aspire One Netbook

weighed just over two pounds and the nine-inch small display within the downsized frame worked well in cramped spaces like working inside a truck. Though some of the big guys with large hands fussed about the small keyboard, with the price of half a regular laptop it made the deal workable so they had to adapt.

Since then my 11-year old daughter and I have staged dozens of these small Acer Netbooks for as many new employees and their business has been booming. Their growth was sparked by a time with difficult high expenses and onerous state taxes, but my client fought on by expanding their business strategically around the country and intelligently by utilizing these much more affordable Netbooks.

Other expenses were cut by purchasing the entry edition Microsoft Office 2007 Basic rather than the more costly SBE or Professional editions. Their operators out in the field only used Excel and did not need other Office components like PowerPoint, Publisher and Access so just buying the Basic edition saved at least \$100 per laptop.

The next expense cutting and operational improvement we are working on is the network communications which is currently based on AT&T's cellular network. With my article on Verizon's MiFi running last September this got us thinking about cutting from AT&T over to Verizon.

You may have seen the commercials recently Verizon is running with the

dense red map of 3G coverage compared to AT&T sparse blue map. Well, I can tell you that comparison is true.

My Verizon MiFi unit that fits in my shirt front pocket is basically a cellular router that delivers WIFI connectivity to five PCs at a download rate of at least 1Mb/s for \$60 a month.

Oilfield operators and some other construction clients of mine have deployed these Verizon MiFi units with very good results. The Verizon 3G/Edge coverage, out in the boonies where well production and construction gigs are, is much better than AT&T's and certainly superior to Sprint/Nextel.

Odds are we will migrate to Verizon in the weeks to come once the contractual issues are ironed out for the scores of AT&T cellular units that are in use. Better network coverage for a lower monthly cost is the goal just like the smaller more cost effective Netbooks

were and continue to be.

I am very proud of my client for not only making in through a couple of tough years but taking a rough situation, seeing the opportunities, and then taking a risk during very troubled times. While other companies around Brenham were scaling back and laying off employees, this group was determined not to let economic meltdown hinder their success.

Bottom line: When times are tough you need to use good business strategies, smart technologies, and have a strong gut to make it on down the economic road.

Next week's column: Tornado chasing technology.

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