



"I found my experience with CRT to be invaluable. I don't know why any executive would pass up the opportunity."

- Jim Fallon, President
Intellitouch

Company Profile

Founded in 1988, IntelliTouch offers a wide variety of innovative communications convergence products for business applications, from the smallest office to the largest enterprise. The company's capabilities include everything from product design and engineering, to manufacturing, marketing, distribution and supply chain management.



www.intellitouch.com

MENTORING SERVICES CASE STUDIES

Intellitouch Communications

Dialing in on Demand

The leading manufacturer of music-on-hold players, IntelliTouch Communications, found itself at a significant juncture. The company had recently begun selling telephones to large telecommunications customers, and the management team could see a number of related opportunities in retail and new technology development. Momentum was building – and Jim Fallon, IntelliTouch's new president, wanted to keep it going in the right direction.

Making the Call

As Fallon took the reins of IntelliTouch, it was clear that he would be required to implement and manage significant changes to the business model. As a result, IntelliTouch's out-going president suggested that Fallon investigate Chairmen's RoundTable (CRT), a diverse group of seasoned executives who offer free strategic counsel to growing businesses.

The former president thought CRT might provide a welcome sounding board for Fallon's new business model. "He was right," Fallon said. "I was faced with so many opportunities. I wanted to be sure that the direction we took not only was a viable one, but also had the potential to potential to create lasting value."

Can You Hear Me Now?

Fallon came to the Chairmen's RoundTable with a great deal of enthusiasm and ideas – almost too many. "There were countless opportunities for IntelliTouch," said Fallon. "Our telephone production business was on the brink of explosive growth. A seasoned retail industry executive was ready to come on board, armed with significant revenue projections. We had an opportunity to take a position in voice-over-IP (VoIP) technology with a Taiwanese development partner. Each path held so much promise, it was tempting to follow all of them.

With multiple opportunities clouding the picture and stretching resources, the CRT helped Fallon rise above the noise. "The CRT mentors helped me look past the promise to achieve a realistic vision.

Strengthening SAN DIEGO, One Company at a Time

About Chairmen's RoundTable

The Chairmen's RoundTable is a non-profit volunteer organization comprised of successful Chief Executive Officers with diverse industry backgrounds who provide businesses in San Diego County advice on how to manage and grow their businesses through a well-defined mentoring program. CRT members provide this service free of charge to qualified area businesses as a way of giving back to the community.

For more information, please visit www.chairmensroundtable.com

Clearly, we didn't have the resources to pursue all of these paths, and each one held hidden risks that needed to be factored in. In the end, we chose a business model that presented acceptable risk, that we were capable of executing, and that offered a healthy return on investment."

Where Do We Go From Here?

Since the CRT engagement, IntelliTouch has seen solid revenue growth. "Based on the CRT's input, we adopted a demand-driven business model," said Fallon. "We manufacture products based on very specific customer-defined needs. This approach minimizes our risk by ensuring that a commitment to buy is in place before IntelliTouch invests significant resources in the project. Today, we use this criteria to evaluate all opportunities that come to us."

IntelliTouch has experienced a significant revenue increase and enhanced profitability with the build-on-demand model. This success is fueling the company's expansion and growth. "As we build our business, we're keeping a close eye on the opportunities in retail and VoIP," said Fallon. "We recognize that we may need to take some calculated risks in order to broaden our market opportunities – and we are now in a much better position to weather those risks. In addition, we have a well-trained focus on demand, what drives it and how to fulfill it. I'm convinced this focus will prove to be a key factor in our continued success."

Key Challenges:	Recommendations:	Results:
<ul style="list-style-type: none"> • Need to assess viability of new business model • Lack of long-term defensible position • Evaluating retail opportunity and possibly hiring seasoned retail industry executive • Determining how much to invest in VoIP initiative 	<ul style="list-style-type: none"> • Focus on demand-driven products/ customers • Avoid risky growth opportunities • Continue channel growth/expansion • Understand hidden risks of retail • Stay connected to VoIP industry shift, but enter carefully 	<ul style="list-style-type: none"> • Staying the course of demand-driven model, achieved 100% growth in 2005 over 2004. • Delaying entry into retail due to significant risks • Planning to develop VoIP-specific solutions on a demand-driven basis until overall market adoption increases