

PROFILE

There's life after Jo'burg

Synergy Computing is bullish after separating from its Johannesburg operation

BY IAIN SCOTT

STANDARDISATION of business intelligence (BI) technologies is one of the key emerging trends from which BI specialist Synergy Computing is hoping to benefit.

"In our own customer base we have seen efforts from our larger corporates to standardise on one, sometimes maximum two, BI technologies," Bredenkamp says. "And the reasons for that are pretty straightforward in that the companies realise that if they invest in a limited number of tools, it can have massive cost spin-offs for them. One is the number of consultants that they have on their premises or on their staff. They don't have to know a whole lot of tools – they can specialise.

"It's got a training implication, and it's certainly got a cost implication just in terms of annual maintenance and licensing software cost. Some of our bigger corporates have realised that and we've done some fairly substantial standardisation-type deals with some of our larger corporates in the retail and in the mobile spaces."

THE BI SPACE

The business intelligence space has experienced consolidation recently, and with large players like Microsoft and Oracle entering the space, there is always the possibility of commoditisation. However, Bredenkamp still sees value for companies to invest in BI specialist companies as tools are not the only consideration.

"Even though Synergy has had a 25-year relationship with Cognos, which has always been one of the top BI companies in the world, and we've got a very good relationship with them,

in our own business we've increasingly realised that our differentiator is our ability to allow that software to let our customers make better decisions. A lot of it's around putting the right tools in place, making sure that our customers get a good return for the money they invest. In that process the tool plays a role, but there's so much more to it. Education and training are the key components of BI, which I think that a lot of people are only waking up to now.

A LONG TRACK RECORD

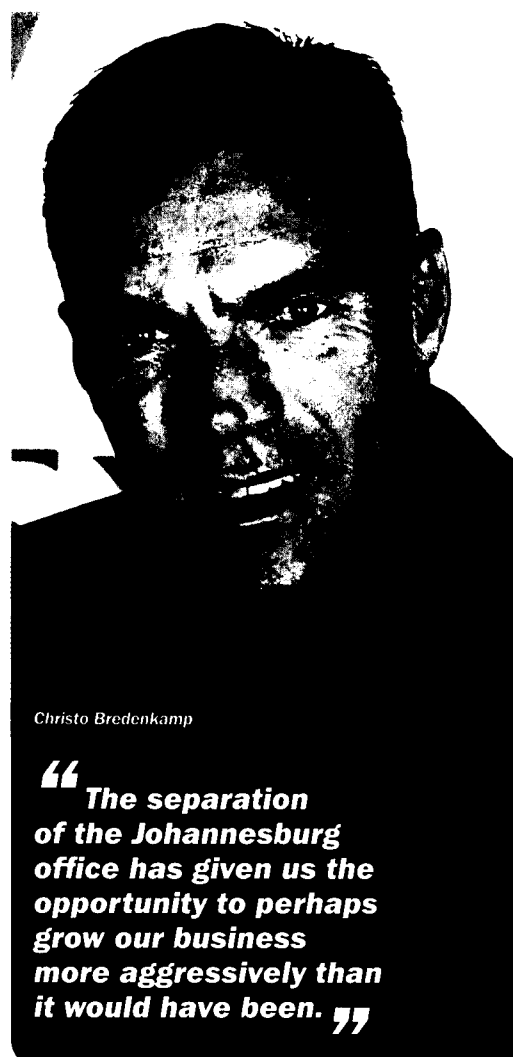
Synergy's Johannesburg office was incorporated into Fios on 1 September. Both Synergy Computing and Fios are subsidiaries of JSE-listed Sekunjalo.

"Synergy Computing was started in its current format in 1978 by a UCT graduate, and that was in Cape Town," he says. "So for the close on 30 years Synergy has existed, the majority of its business has always come from the coast, in particular Cape Town and to a lesser extent Durban. Our Johannesburg operation has grown through the years, but we've never made the inroads into Johannesburg that we would have liked."

Bredenkamp says Synergy has 40 highly skilled technical consultants, "which makes us certainly one of the bigger ones in the country, even after the Johannesburg separation".

GETTING BIGGER

"We are coastal-based, with an office in Cape Town and Durban, but certainly our work is not limited to the coast. At the moment we are doing work for one



Christo Bredenkamp

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of our customers – a big plastic manufacturer – and we do work in 85 countries for them.”

Bredenkamp says the separation of the Johannesburg office has “given us the opportunity to perhaps grow our business more aggressively than it would have been. And it goes down to financials. I don't want to say too much around that area, but obviously our coastal has been a highly profitable operation, Johannesburg less so and we are now in a position to use some cash to grow our business quite aggressively.”

Bredenkamp is bullish about future prospects. “I think that BI opportunities are consistently growing. There's nothing new here – if you speak to any of the analysts, all of them are agreeing that BI is still in a very strong growth phase, and we accordingly view that as a guide for our business. We expect certainly growth of between 10% and 15% per annum.”

