

# Extending Networks

GOING ELECTRONIC WITH A LOCAL COMPUTER DEALER THAT SERVES COMMUNICATIONS COMPANIES.

**A** foosball table in the storage room, a medieval battle in miniature taking place on a table, a life-size poster of basketball standout Kevin McHale on a wall—at Imagenet's offices, playfulness is as evident as the massive Macintosh computer monitors on each desk.

"We give people free rein to do what they need to do, as long as they get the job done....," says Bruce Greenberg, 29, one of Imagenet's three partners, about the Minneapolis firm's 10 employees. Apparently, the firm's intensely casual employee-relations style works; partner Ray Uppaluri, 34, points out that Imagenet has a very low turnover compared with other startups—everyone who started with it four years ago is still there.

Focusing on clients in the printing and publishing arenas—including such firms as Gage Marketing Group, MSP Communications, which publishes *Twin Cities Business Monthly*, and the packaging division of Pillsbury—

Imagenet is an Apple dealership that sells and services Macintosh computers and networks. "Whether it's a printer or an ad agency or a publishing company, we tell them what they need" in terms of computer equipment and software, says partner Scott Litman, 28. "If they purchase from us, and they get the service [contract] from us, all the consulting is just part of the relationship."

In turn, clients have been telling Imagenet what they need: a presence on the Internet to reach other businesses and the growing number of consumers. The Internet, a universal network of computer networks, was raised

in the world of government and academia and still is a youngster in the commercial arena. The World Wide Web is a network with a vehicle that makes it easier to cruise through by selecting key words, much as Windows software made it easier to use computers with DOS operating systems by selecting items from a menu.

It's young, but the Internet will soon start a growth

spurt, Litman says, because new computers come with Internet service bundled into their systems. Then all users need are a modem and Internet access.

Businesses can create a presence through a home page. Think of it as an electronic brochure. While IBM and other computer companies long have had a home page, now communications companies are going online. Since January, local advertising agency Fallon McElligott had a home page with images and biographies of its leaders and examples of its work.

Net users can easily find companies on the Net, Litman says. Posting a page or, as it is also termed, hosting a page is expensive, however. Litman says that a full-time, host-site connection could cost "could spend hundreds of thousands a month just on your communication charges."

As an alternative, Imagenet plans to offer its clients a place on the Internet by using its home page, [www.imagenet.com](http://www.imagenet.com)—like a business park. Greenberg estimates that charges for listing on Imagenet's home page will be in the hundreds of dollars per month.

The Internet project is a natural extension of the s

**SCOTT LITMAN, BRUCE GREENBERG, RAY UPPALURI**

*Imagenet*

**Home-page advantage**

services that they already offer their publishing and communications clients, say the partners, who met at another computer dealership and decided to start a company.

"When we started, the whole computer industry was everything—was in a recession," says Uppaluri. "I could not get a loan from a bank; everybody said, 'You guys are so foolish to start this.'" They sought \$300,000 but settled for \$80,000 from family members and friends and their own money. The three founded the company in April 1991; by June, the firm had received its first major purchase order.

Since its founding, Imagenet has made a profit every quarter, Litman says. Sales were about \$1.5 million in the first full year, and are expected to reach \$3 million in 1992.

Imagenet continues to develop its dealership business, which has grown through referrals. "Most of our clients are computer literate, but they don't have time or don't know how to fix things—and they shouldn't," Greenberg says. "That's why we're here." —Allison Campbell

