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Tim Sheffer, network engineer, and Barry Shevlin, CEO of Network Liquidators, talk in the warehouse.

Network Liquidators rebuilds it, they buy it

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Few people would think twice about buying a used car. But what about a used router?

It's happening more and more, according to Barry Shevlin, CEO of Network Liquidators in Oldsmar. The company buys, refurbishes and resells used networking and

telecommunications equipment for anywhere from 35 to 90 percent below the new retail price.



In the current market, many companies are looking for creative ways to save money, Shevlin said. Buying refurbished networking and telecommunications equipment instead of purchasing new replacement parts is becoming attractive.

"More people are becoming fiscally conscious with their IT budgets and will look outside of the box," he said. "Lots of people are saying, you know what, we might want to give this a shot. Saving 40 percent doesn't sound so bad right now."

As the economy has slumped, Network Liquidators' revenues have risen. The company climbed 313 percent over three years, from \$10 million in 2005 to \$41.2 million in 2007.

About half the company's 2007 profits came from its acquisition of OneNation Technology, Shevlin said. Before the purchase, Network Liquidators sold only switches and routers. The acquisition let them branch into voice-over-IP and other realms.

Aside from the acquisition, the company's growth has a lot to do with its culture, Shevlin said. Members of the leadership team have experience with high-growth companies and are constantly making sure they have the right players in place.

There are only about 300 companies in the country that sell used networking and telecommunications equipment, Shevlin said.

Lately, the "recession-resistant" company has been buying from those not as well-positioned, such as call centers and companies in the financial services sector, Shevlin said. Would-be customers aren't as easy to pinpoint — any institution with 100 employees or more is a potential client.

Trans World Network, a fixed wireless provider, has been working with Network Liquidators for four or five years, said Larry Arellano, a network architect there. The Tampa-based company services customers of electric co-ops.

Arellano said Trans World Network has always been pleased with refurbished products received from Network Liquidators.

"I don't think we've ever had a problem," he said. "They've always been able to turn around with the stock we need at the price we're looking for."

Turnaround time is key, Arellano said. Network problems don't wait, and buying new equipment gets pricey. Buying used is a great solution, but only if resellers have what you need.

Network Liquidators has more than \$35 million in product in stock from manufacturers like Cisco Systems, Extreme Networks, Avaya and Nortel. Products aren't obsolete, Shevlin assures — some hardware components are less than a year old, and are physically inspected and tested.

The company serves more than 12,000 customers in more than 20 countries, according to its Web site. The Oldsmar-based company was founded in 2001. Today, 80 of the company's 85 employees work locally.