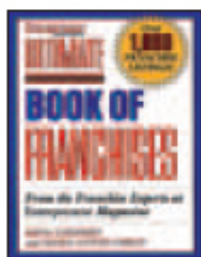


TOOLBOX

BOOKS



Entrepreneur Magazine's Ultimate Book of Franchises

By Rieva Lesonsky and Maria Anton-Conley

"Entrepreneur Magazine's Ultimate Book of Franchises" includes everything one needs to know about buying a franchise. Culled from *Entrepreneur* magazine's more than 20 years of research and reporting on the world of franchises, this book is a guide through every step on the road to franchise ownership.

The book includes:

- A comprehensive listing of more than 1,000 franchise companies.
- In-depth facts and figures, including companies' contact information, costs, company size, training and support, franchise qualifications and financial-stability ratings.
- Top 10 lists and rankings to help readers quickly identify the perfect franchise for their needs.
- Expert advice on researching franchise options, including how to put the Internet to work.
- Tips for negotiating a successful franchise agreement.

Rieva Lesonsky provides guidance, inspiration and advice to millions of entrepreneurs each month as senior vice president/editorial director of *Entrepreneur* magazine.

Maria Anton-Conley, executive editor of *Entrepreneur* magazine, oversees the magazine's an-

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CRAIG HARTLEY/HBJ

Sonia Clayton of Virtual Intelligence Providers: 'I decided to create the Wal-Mart solution, based on quality, consistency and reasonable cost.'

Price point

Virtual Intelligence Providers has taken an unusual tactic in the IT industry: Competitive pricing

BY DEBRA BEACHY
 SPECIAL TO HOUSTON BUSINESS JOURNAL

Sonia Clayton's dream of a better life started in Venezuela, where her mother, a nurse, struggled to support her family of four.

But Clayton left poverty behind her, studying hard and eventually winning a scholarship to study English in the United States at age 21.

"I was in ninth grade and my mother said she couldn't do it anymore, so I studied at night

and worked during the day," Clayton says.

Twenty years later, Clayton is the CEO of Virtual Intelligence Providers, an information technology consulting firm that counts Fortune 500 companies among its clients.

The company generated annual revenue of \$2.4 million in 2003, doubling 2002 revenue of \$1.2 million.

"It's a modern-day Cinderella story," Clayton says.

It's also a story of opportunities.

"When I came here in '84, I realized what a wonderful country this is and I decided I would contribute to it," says Clayton, who is now an American citizen.

Clayton eventually got a job working in Houston for Air France, where she learned French, and then for Continental Airlines, where she was hired to be a French translator.

At Continental, she worked her way up the company ladder, eventually rising to a position

VIRTUAL INTELLIGENCE PROVIDERS

CEO: Sonia Clayton
 YEAR FOUNDED: 2001
 2002 REVENUE: \$1.2 million
 2003 REVENUE: \$2.4 million
 EMPLOYEES: 5 full-time; 45 consultants
 WEB SITE: www.vip-global.com

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STRATEGIES

VIP: IT outsourcing company profits while keeping tech jobs on domestic soil

FROM PAGE 21

where she oversaw the use of information technology.

In 2001, as companies cut costs by paring payrolls, Clayton saw an opportunity to help people find work and to start a new venture. She decided to start her own IT outsourcing company, turning to her former colleagues who had been laid off to be her company's IT consultants.

"I started looking at different trends, and the biggest cause (for sending IT jobs offshore) was IT consultants who were billing \$150 to \$200 an hour," Clayton says. "I decided to create the Wal-Mart solution, based on quality, consistency and reasonable cost."

Instead of taking jobs to countries such as India, Clayton thought she could keep IT jobs in this country by of-

fering clients a virtual network of talent to create online IT solutions.

To get start-up capital, Clayton borrowed \$5,000 from her mother, who now lives in Houston, and from a former colleague who became her first employee.

Clayton used the money to buy two computers and a high-speed Internet connection to get her business off the ground.

Although she initially worked from her home to keep overhead low, Clayton had a well-rounded consultant team that included PhDs, business administrators, graphic and instructional designers, and systems engineers.

Eventually, Clayton opened an office "so clients could see it is a serious business."

She landed her first client — Pennzoil-Quaker State Co., which is

now a part of Shell Oil Co. — less than two weeks after the company opened its doors. Clayton became familiar with the client through her previous work for an IT consulting firm.

"I took (the client) out to lunch and explained what I was attempting to do, and he was fascinated with it. We created SAP training for his company, using virtual classroom training," Clayton says. "He told me that if I could offer him quality at offshore prices, he was all ears."

The second client, Mexican cement maker Cemex, came two weeks later.

Cemex IT Project Manager Norma Serrato says she hired Virtual Intelligence Providers, or VIP, because she knew one of the consultants there who had previously worked for Cemex.

"We started using VIP two years ago, and the experience has been very ben-

'At times, I would just call and call (prospective clients) and no one called back. It was very depressing.'

Sonia Clayton
Virtual Intelligence Providers

eficial for us," Serrato says.

Cemex has also turned to VIP for Web developers and client access developers, according to Serrato.

Landing Continental Airlines as a client was also a big boost for the fledgling company, which now employs five full-time workers.

Kelly Cook, Continental's director of custom relationship management, says the amount of business with VIP had tripled in the last two years.

"(The) company has excellent talent in its consulting services pool," Cook says.

STAYING FOCUSED

Just three years after its start, VIP has 45 consultants, most of whom are former colleagues, and does business throughout Latin America. Clients include SAP Latin America, Hewlett-Packard Co., Baker Hughes and IBM.

But Clayton is quick to point out that it hasn't always been easy.

"You've got to be relentless and stay very focused," she says. "At times, I would just call and call (prospective clients) and no one called back. It was very depressing. A contract has to be renewed for a business to be sustainable. But an entrepreneur has to have unwavering faith that the business will succeed."

Despite an initial lack of response, Clayton says she kept going back to potential clients.

"It took a lot of visits, cold calling, regular visits, regular follow-up visits, regular lunches and regular presentations with products," she says. "I would call people and say: 'I know I can save you a lot of money; just give me five minutes or your time.'"

One time, Clayton says, a potential client told her that if it wasn't clear in 10 minutes what VIP had to offer, she would leave. The client ended up signing a contract.

Indeed, Clayton believes the company has been successful because of low overhead, high visibility and good products.

Part of the formula also has been competitive pricing.

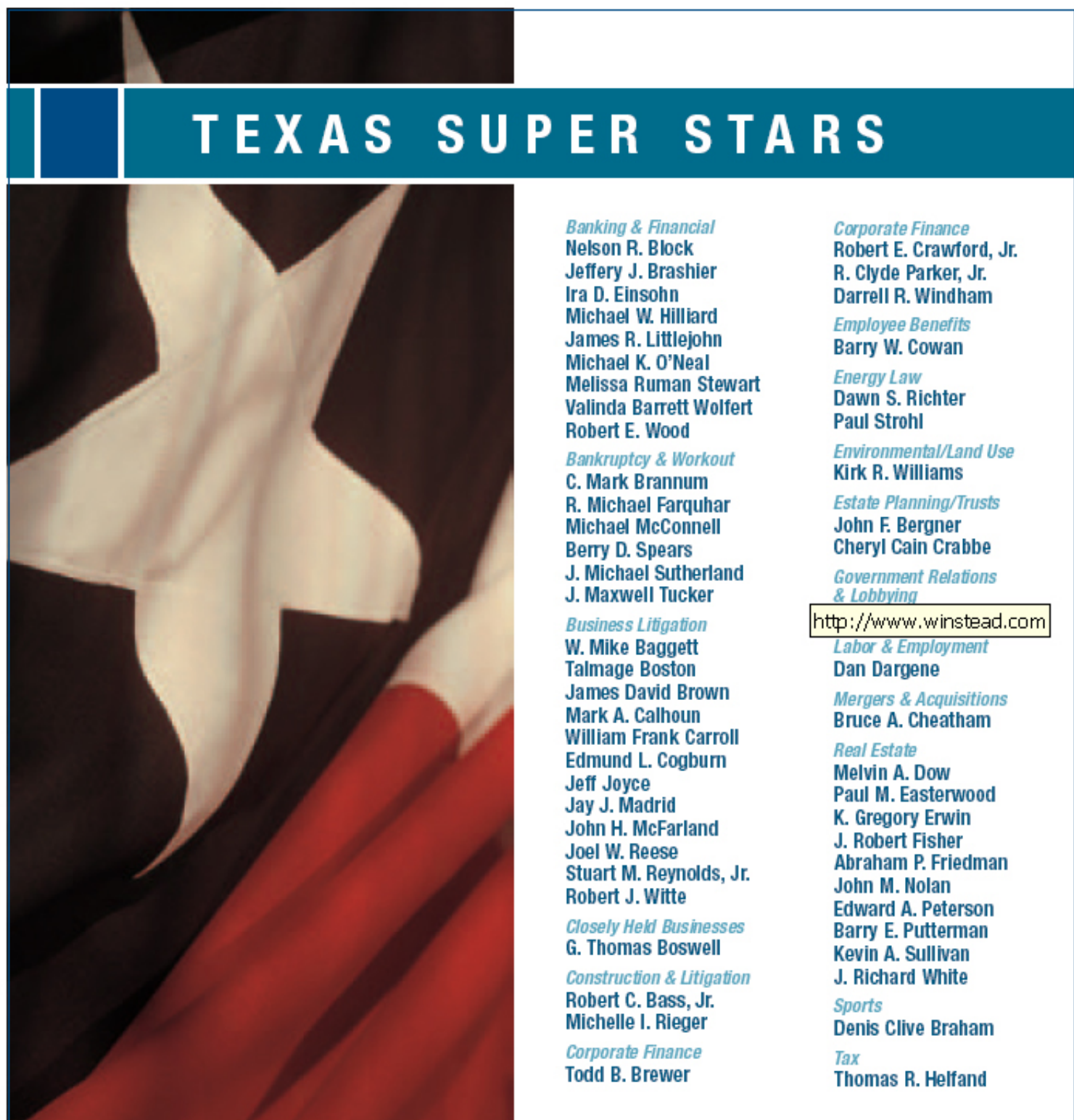
Clayton says VIP consultants' fees are as low as \$55 per hour, compared with typical IT consultant fees of \$100 an hour or more. VIP also offers diverse professionals for short-term contracts.

The company's competitors include DA Consulting Group and RWD Technologies, both IT consulting companies in Houston.

But Clayton says her company has created its own niche by converting documentation training into an e-learning system.

In addition to U.S. competitors, the company also faces competition from low-priced consultants in India, who charge as little as \$15 an hour, Clayton says.

DEBRA BEACHY is a Houston-based freelance writer.



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