

PETER KAZACOS

Comeback kid

He's got form: Peter Kazacos has already built one information technology company into Australia's biggest. Now he is having another go, this time finding a niche in the current downbeat conditions. His new venture, Peter Kazacos Business Advantage, is a telecommunications and technology service provider focusing on mid-size and regional businesses.



“These guys have very similar requirements, they don't usually have a very big technology budget or skills but they can benefit from good technology support”, Kazacos says.

While the global financial crisis has forced many to wind back their expectations, Kazacos says it is the perfect time to launch a technology business because the perennial information technology skills shortage is less intense.

“If you're growing in a market that's growing around you, it can be really hard to find staff”, Kazacos says. “Being a growing company in a slow market puts us in a really strong position”.



The professional services analyst at Gartner, Rolf Jester, says that while the economic climate is challenging, Kazacos is better placed than most to survive and thrive through the downturn.

“He's an astute business person and he's right in that - in a downturn - all sorts of resources and opportunities become available”, Jester says.

“In Kaz [Kazacos's former company], Peter built up something quite unique, an Australian brand that was capable of standing up and winning business. He's a brand in his own right which will be important in terms of establishing a new business in the current climate”.

Accompanying Kazacos is former Kaz business development manager Mark Stead and director of technical delivery Steve Lombard, who has experience on the vendor and end-user side of the technology industry.

This is not the first time a market downturn has played into Kazacos's hands, he credits the initial success of Kaz to the recession of the late 1980s.

“In 1987 there was fall in real estate prices, so we were able to get long-term leases on large premises and establish the data centre business”, Kazacos says. “The current downturn is the same, it opens up opportunities for PKBA”.

Kazacos became one of Australia's richest men when Kaz Computer Services was listed at the height of the dotcom boom, becoming Australia's largest IT company, employing more than 3000 people at its peak.

“We were in the outsourcing space before IBM and before EDS came to Australia, although when we first started talking about it everyone looked at us though we were crazy”, Kazacos says. “We were the largest IT company in Australia and we had established offices outside of the country as well”.

Three years later the dotcom crash had taken its toll on

Kaz's share price, although with recurrent steady revenue, it fared better than many software-focused companies during the downturn.

In 2004, Telstra purchased KAZ for \$333 million and both Kazacos and Stead found themselves working as employees.

Two-and-a-half years after the buy-out, Kazacos and Stead left Telstra and launched PKBA in February 2007. The company grew initially through the acquisition of Sensis' IT Services provider Invizage, along with IT integrators in Queensland, South Australia and Tasmania.

“We've been through the initial growth stage and now we are starting to win some big deals with recurring support requirement,” kazacos says.

The PKBA business model is based on remote technology management and hosted services, whereby technicians can log into to a company's computer system without being physically present, and make any necessary interventions.

Kazacos understands that many businesses still see the approach as a risk to their data.

“It will take time for companies to trust a remote server with their company data, but the transition will happen just like it did with power when we went from generators to centralised power”, Kazacos says.

Although technology stocks tend to struggle finding investors and often fail to perform on the Australian Securities Exchange, Kazacos is seeking investors to fund further marketing and expansion and is considering a float”.

“A lot of other IT companies have listed but invested the funds into product development rather than sales and marketing development, so they've failed to do well in the longer term”, Kazacos says. “It doesn't matter how great the product is, if they can't sell it there are no revenues and they won't attract investors”.

Article from BRW

The Foundation of Hellenic Studies are proud to announce that **THREE RETURN AIR FARES TO GREECE will be awarded as academic prizes for students in Greek Studies.**

We encourage students from all faculties to enrol in any of the three levels of Greek on offer: Beginners, Intermediate or Advanced.

Enrol now for your chance to travel:

TO GREECE



Issued by HELLSOC and The Foundation of Hellenic Studies