COMMUNICATIONS, EXPECTATIONS & HIDDEN HEROES

Introduction:

We all know: For most businesses, technology is their lifeblood. For high tech, that can mean integral parts that run exabytes of data in milliseconds of time. For financial services and other businesses, it means data centers that serve as their nerve centers.

And when a high tech component must be immediately replaced – or a data center moved – the flawless logistics of time-critical delivery can mean saving the millions of dollars that are lost when a line is down.

But you don't have to tell that to Mike LoRusso. LoRusso is Senior Vice President and General Manager of Quick International Courier. He has spent his career both on the financial and logistics management side of the business, which means he not only can speak to the cost effectiveness of finely tuned IT logistics or the urgency of high tech parts replacement. It also means he knows how to handle equipment that physically won't fit through a door. As they say on TV – don't try this at home… unless, of course, you're looking to build new walls.

But like all aspects of global supply chain logistics, change comes quickly… and often. After all:

- High tech parts can require replacement at any moment to keep an assembly line moving.
- Relocating data centers and other IT equipment requires speed, precision and care – from break down to reassembly.
- And what about recycling? Given the speed with which technologies change, how do you responsibility get rid of – or reuse – massive corporate technology and data center systems?

Chris Riback: Mike, thanks for joining me. I appreciate your time.

Mike LoRusso: Thank you.

Chris Riback: What does it mean to provide end-to-end logistics solutions for the IT industry?

Mike LoRusso: Good question. What it means for us and our customers is basically being able to service various parts of their business. There could be needs where it's a simple pick up and move from one point to another locally, or it's a complete data center, decommission where moving parts or going to another data center. Some of the product is being recycled and other product on-site is being redeployed into another data center there. It varies, and again, we need to listen to our customers and understand what they need. But it could be very simple or it could be a very large project.

Chris Riback: Like much of life. Sometimes it's simple, and sometimes it's really complex.

Mike LoRusso: Have to use your ears.

Chris Riback: I'll remember that, I think my kids need to know that one. When you say end-to-end, the beginning actually begins before you get on-site. The beginning of the move isn't the beginning of the engagement.

Mike LoRusso: Correct.

Chris Riback: Tell me about that, why do you have to start before you start?

Mike LoRusso: Yes. It could be a simple phone call where one of our customers to says, "Hey, we have a data center, we may be moving," or, "We have equipment that's moving next month or six months. It's a huge project. Can you handle it?" With that, we have a list of questions that we will ask pertaining to all the details that they need and moving a data center.

Chris Riback: That pre-conversation, what's the utility of that for the client?

Mike LoRusso: Yes, it's pre-conversation, and then it's site survey. So even before we're selected, we always want to do a site survey for a large project where it's not a simple pull of a product and move, it's a data center relocation. So we'll do a site survey, go through those questions, run the site, look at the facility, how you're moving the equipment and then go through the details of what's needed.

Chris Riback: I've heard the saying that "Quick Specialty Logistics fulfills the impossible requests so common in the world of technology." Mike, if they're impossible, how do you fulfill them?

Mike LoRusso: Any experience of working with our customers, we take into account contingency plans for different areas when they do happen. For instance, recently we were doing a data center relocation, some of the product was being decommissioned, but most of the product was being redeployed to another data center. During the actual move day one, we found out that there was a piece of equipment that was priority. It had to be pulled and it had to be moved immediately.

Chris Riback: Is it flexibility? Is it preparedness? I almost think there's a lesson perhaps for the rest of us. What are the qualities needed to do the things that may be perhaps are literally impossible but sure seem impossible.

Mike LoRusso: What's important in looking at a vendor to do this is experience number one, and then that they have the ability to be flexible and that they've seen some of these things before. We'll always describe projects and talk about those contingency plans with our customers, because when we look at a large project and we've had experience with them, it never goes immediately and 100% per plan. There's always some nuance to it and we have to

make sure we have the flexibility and the ability to do what the customer needs when crunch time comes.

Chris Riback: I understand. Speaking of the replicating, you've described the service that you provide, but you provide it across a range of sectors. What are the sectors, what are the industries, what are the areas that you work with?

Mike LoRusso: One of the areas is IT logistics and in that is moving anything related to the IT world. It could be phone systems, it could be data center equipment, could be routers, servers, PCs, monitors desktop units. So we'll move those in secure moves, we can move them as ground shipments. Again, depending on what is needed for the client. We'll do project plans, a lot of that work probably 50% of it is project related. So we're moving either a data center or a big branch office move, where we're moving desktops, et cetera, from one place to another.

Mike LoRusso: There's always a secure type need where there could be some data on these pieces of equipment, so we have to use chain of custody to move some of them. Others, they're going to a recycler so we can handle them differently and we'll part those out. Another industry we're in is high tech, so we're moving a lot of work expedited both domestically and internationally for the semiconductor fields. So we're moving parts components, we're also moving spare parts for the actual equipment that may make the semiconductors, the wafers, et cetera, or could be equipment that's on a line down situation for an automotive manufacturer. So it's urgent, it needs to be moved and we'll move that in what we call an NFO product move. We'll-

Chris Riback: What's NFO?

Mike LoRusso: Next Flight Out. So that's an immediate need. We're picking up that product, we're putting on the first available flight and making sure that it's in destination as soon as possible. It could be a local move, where it's a drive, it could be something domestically or it's going from let's say Los Angeles, CA to Des Moines, IA, or it's going from Paris, France to somewhere in China – Shanghai. So we're getting that call and we need to act on it immediately.

Chris Riback: Financial institutions.

Mike LoRusso: Yes. That also kind of relates to our IT services. We do a lot of work in that community, we have contracts in place with a lot of our customers. What you need to understand is our customers, they're comfortable with us because we offer solutions, not everything needs to be an expedited shipment. It may need to get the destination at a certain time because there's a tech who needs to install that product, but they may have four or five days to move it. So we can pack it securely, it could be moved cost effectively. So it's saving the customer a bit money, but then we're making sure at nine o'clock on a Monday that product's there, it's on-site, it's unpacked and the tech can install it.

Chris Riback: As you're talking about these different sectors, how do IT logistics differ across these different industries? Do they all have the same needs or are there special elements within each industry that you ought to know about?

Mike LoRusso: We have customers that run their own IT service department, so they have their own equipment, their own routers, their own servers, and they have their own support staff that handles that. So we'll work directly with that support staff. However, we have customers that outsource that product to others in the IT service world. So we have customers that we work directly with, we have also third party IT service companies that service those customers as well. We'll be able to support them with whatever is needed. It could be, again, a simple move or it could be that we're pulling a router or a server and moving it down to Tampa, Florida to get it installed.

Chris Riback: From a client point of view, how important is it to work with a vendor who understands their industry?

Mike LoRusso: I think it's extremely important and I think you need to be able to have a vendor that can give you solutions but also options, scenarios and ask questions. Because sometimes a customer may say, "Hey, I need to get it down there immediately." "Okay, why?" Then we find out, well, the install is not happening for three days and we say, "Okay, we can get it down there, more cost effective for you and still make the install." You need to be able to ask the right questions and from experience you need to feel comfortable with who you're working with them from a vendor perspective.

Chris Riback: Are supply chain management requirements and solutions all the same?

Mike LoRusso: No, absolutely not. You have customers that just require vendors that will come pick up a product that's left by the door, it's left at the reception desk. They pick it up, scan it in, and it gets delivered next day by end of day. Those are integrators and there's a tremendous amount of business out there. We're really not in those sectors. There's always some type of nuance to what we do and our services we provide. Could be a pickup where the material needs to be packed, could be high value insurances, so we're creating the materials before they go out.

Mike LoRusso: Then on the delivery side, it needs to be an appointment delivery and it may be after hours, "We're taking down the data center, but it's a Friday night and you guys have to deliver by 8 PM." "Okay." So we're working on making sure the elevators are available for us, how do we get into the building, do security know who we are? So there's a lot of things that we do upfront to make sure that when we arrive on-site to either make a pickup or delivery, we can actually do it.

Chris Riback: Tell me about some of the differences. I mean, what's special or challenging perhaps about moving, let's say on the one hand, high tech parts or information tech data equipment, data center equipment?

Mike LoRusso: The high tech part, it could be product that does not have data on it, that may not be an install immediate. So there's nuances to that work. It could be brand new equipment, it could be stuff that does have data on it, so we have to ask those questions. Usually those are, they're not data centers, they're not huge big project work. We're not moving thousands of pounds of material, we may be moving one router, one server or a couple. Those could be going domestically or internationally. So there's a nuance to that. We have to get permits if it's going into certain countries, we've got to look to other batteries included. If there's batteries in the equipment or outside the equipment. Okay, we need to declare that. We have to make sure we have particular requirements of how we move it.

Mike LoRusso: On the other side of the data center, if we're moving data center to data center or branch office to a data center, anytime you're making a pickup or you're making a delivery into one of these data centers, and it could be a company on data center, it could be a [colocation] facility where there's several different customers in that data center. They need to know who the driver is, they need to know what vehicle they're in, and they need to know if there's any type of placards on that van or that truck that's coming in.

Mike LoRusso: You have to do that up front and they actually give you a ticket. You have to have that ticket. If you arrive with 15 data center racks filled with equipment and you didn't set that up, well guess what? That driver is stuck and you can't do the install, and you'll have to wait till the next day. So you have to make sure all of that is done upfront before you make that delivery.

Chris Riback: With all respect. I do have a pro tip for you. I know that I'm not the one who should be giving you advice in your business, but-

Mike LoRusso: We'll take it. We'll take advice as long as we can get it.

Chris Riback: On that question, are batteries included from history of holiday gifts and Christmas? Batteries are never included! You always have to get the batteries. So you can work that one into your repertoire if you want.

Mike LoRusso: Got you. Thank you.

Chris Riback: The range of complication, just in listening to you, and I want to go back, I know we were having some fun earlier on the concept of your ability to do the impossible. But there are a couple things that you've said where the word literally might be accurate. On the one hand there are what seemed to be the regular types of challenges that you might have to face. Elevators you mentioned, security, permits, batteries whatever it is, there's a whole list and you're checking and you have to make your list and you have to check it twice.

Chris Riback: Then you mentioned as well just in passing, we might be having to get something on a plane from Paris to China. Well, as you and I are talking right now, coronavirus is an issue. How do you deal with a situation like that?

Mike LoRusso: Yes, it's a good question and we are dealing with it right now, correct? So we are systems and again, a customer needs to make sure that our vendor, the vendor that they're using has the ability to advise them what's capable, what can happen and what can't. There's contingencies and we'll offer them to our customers, letting them know what can and cannot happen.

Mike LoRusso: It's based on, we're talking to the airlines every day, every hour to get updates on what is capable, what's happening and then what their plans are. They may have flights going in, but next week they don't. When do they think that they're going to start service again? We're giving our customers that information hourly to make sure that they're abreast on what's happening in the marketplace. That happens throughout, weather related issues. We advise them if there's problems, if there's a storm in a particular area, but they need product in.

Mike LoRusso: Well, we may fly it in to another airport that we can get in that's 300 miles away and we're going to drive it to destination. We'll drive through a snow storm, maybe, but guess what? We'll do it, it may take us a little bit longer time, but you can't get the aircraft into that airport because of the storm. So we'll give them different scenarios and options when we're talking to them about shipping.

Chris Riback: What do you worry about?

Mike LoRusso: That's a good question. What do I worry about?

Chris Riback: Which is pretty cool if you've got no worries.

Mike LoRusso: I've got worries. What's the priority? With airlines, is the plane going to take off, is there a mechanical, we're always worried about that. If there's a pending storm, we feel like, "Okay. We're okay getting into that market and in flight they can't." In the projects what can go wrong that we didn't account for. We've had things that happen where, okay, we needed to make sure we had contingency plans in place, but over time we've been able to overcome them. So just to kind of, "Did we cover everything?" We talk to each other, our group, we talk to each other about these moves all the time. Did we capture everything.

Mike LoRusso: Just an example of things that we look at that a lot of people wouldn't. Sometimes these data center racks are built in the actual room itself. So you look at the racks and we were looking at one room for instance, this about a year ago for big customer of ours. They said, "Oh we can move these out. Not a problem, not a problem." We did a site survey, we looked up and they had ladder racks with all of their wiring going across and like, "Did you build the racks in?" "Yes." I go, "Okay, how? Because you want us to move these racks, which they

have the equipment in them, so they're 1500 to 2000 pounds. We can move them, but we can't move them with the ladder racking because you guys built it and then built the ladder rack."

Mike LoRusso: They were like, "Wow. We didn't know that." "Okay. We can take the ladder rack down from here. Do you [have] installer cabling, we can do all that. But that's got to happen first before you move." And they were looking to move like next week. We ended up getting in there immediately, moving the ladder racks, pull them down and we're able to help them. So those are things just from experience, we look at everything. Can you get the actual equipment out of the building? We've taken out walls before but-

Chris Riback: Do you put them back?

Mike LoRusso: Yes. We have carpenters that we'll put them back. Yes, I'm not good at spackling. But we've seen that doing a simple site survey, "How are we going to get it through the door?" "We have to take the wall down." "Really?" "Yes. Here's the measurement, here's the measurement." Like, "Great. Okay, we can do that and we'll put it back, we have time."

Chris Riback: In listening to you, it's sounding like contingency planning is the antidote to worrying. You're always going to have things to worry about, it

Mike LoRusso: Yes, I agree with that. Our customers, and if anyone is out there looking at a vendor to do this work, again, I stress, ask a lot of questions and don't be afraid to ask questions you think are outlandish. "What if this happens, what are you guys going to do?"

Chris Riback: Can I give you an example of your own life, when I think your life. So I've read a little bit about your approach. Here's just a small snippet: "Two rolls of anti-static bubble wrap, which are wrapped around the unit and in cases the complete unit. Unit is placed into a double-sided EH container and asset is checked to ensure no play within the container. Each EH container sits in a dolly so it can be maneuvered, associated rail kits of the asset are bubble wrapped and placed alongside the asset. Two more associated assets are placed at the eco zone like this." Are you that precise about everything?

Mike LoRusso: Our people are. Yes, we are. Because each one of those things, the inventory to know what's in that it's going somewhere and it's going to go into a rack. They have to know what that product is because it's mapped to a rack. It's mapped to 14A, three, three rows down, that's where that system is going. Rail kits, another good question. One of the big questions we ask all the time, "You're going to move equipment from A to B, are you moving the racks?" "No." "Do you need the rail kits?" "Yes." What do you think the next question is? "Are the rail kit's going to fit in the new racks?" When we get that, "We think so." We say, "You guys test or we'll test. Let's take a couple of pieces out, we'll test it for you at no charge." Because-

Chris Riback: Somebody is testing?

Mike LoRusso: Someone's testing. We've retrofitted rail kits before, when we were told they can't and our guys are bending aluminum to fit stuff in a rack. We'll do it but it's time consuming, so if we can take care of that all upfront and lo and behold, we'll usually come back and say, "Yep, it all fits." Or, 80% those were getting new rail kits for the EMC units or for the Cisco units because they're older and they won't fit in the new rack configuration. It's important.

Chris Riback: Give me if you would, bullet points are fine. Michael Russo's tips to move a data center.

Mike LoRusso: Site survey, project plan, if there's other vendors on-site, meet with them before because there could be electrician. So "Okay, what is their role and when do we come in?" Make sure IT is involved from both a customer perspective or a building perspective. There could be a center where there's IT that actually the landlord has, communication crucial and ask a tremendous amount of questions from both side customer and vendor.

Chris Riback: What about a lease?

Mike LoRusso: There are times where the decommission can be, they are leaving the building, they need to get these assets out, they're saving money, "February 28th we have to be out of the building or we get charged another month." First thing we'll ask is, "Did you read the lease?" Because sometimes, and this is another situation we had a customer where we were doing just their data center equipment, we were moving all their racks. It was about 210 racks, various pieces of equipment, desktops, and we were just moving the IT equipment. We're not responsible for moving any of the furniture.

Mike LoRusso: We asked them about that, "Do you need to have broom swept before you leave?" And we were told, "No, we don't think so." I said, "Well, you probably want to find that out before. We have a month and a half and we're going to be in here for almost 30 days or so." And we find out, yes, it has to be broom swept, not only that, but the furniture needs to be moved out.

Chris Riback: Fine print in the lease.

Mike LoRusso: Correct. They came to us, they couldn't get a furniture vendor in there, "Can you guys de-install install the furniture and get it out?" We had another crew come in and it's not our specialty, but we were able to do it. It helped the customer out and we were able to beat the deadline by three days.

Chris Riback: So literally, if you had not raised the question about the lease, that was an example of something the customer just hadn't thought about.

Mike LoRusso: Yes. They probably would've gotten to that point, but it may have been too late. We wouldn't have been able to supply the resources a week before, it was a 220,000 square foot facility in three floors of a building. So you just wouldn't have been able to have those

resources. We ran three shifts to finish the project and furniture was part of that. We didn't have that in our original plan, but we worked it out and at the end of the day, the customer was very, very happy with what our service and they're still a customer today.

Chris Riback: Excellent, and you had three days to spare.

Mike LoRusso: We had three days to spare.

Chris Riback: That was when you took that long vacation, right?

Mike LoRusso: Yes. And I'll tell you, they opened every closet to make sure every closet was broom swept. I'll never forget that site survey at the end.

Chris Riback: Wow. Floors clean enough to eat off of?

Mike LoRusso: Yes. I have pictures of one of my senior managers vacuuming the floor. I still have it, a video, it's great. Every once in a while when he gets on my nerves, I just send him that video.

Chris Riback: That's terrific and good for him for taking it on. It takes everyone. I've heard you mentioned a couple of times in this conversation as well, you're also in the e-recycling business. Now, we all recycle of, plastics, paper. I assume your recycling is slightly more complicated than separating items into blue or green beans.

Mike LoRusso: Yes. Correct, correct. That came about because we were doing all of this logistics for our customers and then when they were looking to recycle end of life assets, we would have someone else come pick up those assets. And we're like, "All right, where are they going, what's happening with those?" We started talking to e-recyclers and e-waste companies and became partners with them. We developed partnerships and we made sure that the ones we are talking to are regulated with RIOS, e-Stewart and R2 which are the requirements and accreditations that these guys need. So they're regulated and they're licensed.

Mike LoRusso: We basically got into it, because we were doing asset management, we were doing inventory on these assets. So it was just an extension of our services, when we talk about end-to-end, now we're asking them, "What are you doing with these assets?" "Okay. 50% of them are being redeployed, but 50%, we don't know what to do with them. We're going to get them recycled." So, "We have that service, we can do that. We're going to inventory for you, here's the recycling company we're using. You guys work directly with them. We're the logistics provider for them. And you're going to get an inventory listing, you're going to get asset by model number, serial number."

Mike LoRusso: That's part of the certificate of destruction. The important thing that the customer needs is every item that they are giving to any vendor, it's recorded model number, serial number and they can get a recycling certificate that says, "Okay, this has been recycled

responsibly." Very important. So if they're audited they say, "Hey, here it is." They come to us and they may want to do a downstream audit and we have the ability to do that for our recycling partners. Very important.

Chris Riback: So really it is end-to-end plus on both sides. The entry point begins before the entry point, you have those pre-conversations and the end point ends after the end point because you're now dealing with the equipment afterwards.

Mike LoRusso: Correct, and it's nice to see that when we do get the certificate, that the minerals off of the units, the copper, it's being recycled and being reused and you can find out exactly where they go, what smelter they went to, that's called downstream. So we're able to go back to our customers, "Hey, this is exactly what happened to the product." It's important for them to see that and know it.

Chris Riback: Well, it's almost like a recyclingancestry.com, you're able to go fully down the tree and see where things went.

Mike LoRusso: Correct.

Chris Riback: Let's dive in deeper to some of the business areas that you mentioned. What are the kinds of logistic needs that each of these typically have? Let's start with the, when I hear about the IT world, I want to hear about financial institutions, the different areas that that you work with. What are the kinds of logistics needs that each typically has? Start with the IT world?

Mike LoRusso: Yes. When we're looking at, and we're talking about the IT world, it could be on the financial sector, it could be IT services where again, someone is supporting a customer on their IT service.

Chris Riback: Let's start on the IT services side, and then I'll ask you about financial.

Mike LoRusso: Yes, it could be simple support for routers or servers in their building, or it could be support of desktop units, monitors, anything that a branch office may have. We may be asked to go in and swap out a PC or a monitor in a particular branch or they're doing a refresh project where 3000 units are being taken and brought down to their either recycle or because they're off of, their product is, or their asset is being decommissioned and it's of no value anymore. So it's a five year unit, let's say a five year PC and it's being recycled or it's going back to a leasing company. So we'll do an inventory of that and move that product to the leasing company.

Chris Riback: All right – And financial services.

Mike LoRusso: Financial institutions are basically the data centers. So we're dealing with movements of routers, servers out of their particular data center, it could be moving to another data center or it could be a project move that they need where there's several pieces of

equipment that are being refreshed. What I mean by that, is a new product's coming in, old product's going out, and then where is the old product being moved? Some customers actually keep it and redeploy it, so they may take it back, add more memory to it and ship it to another location. They may hold it in case something happens with the new equipment, they do have a backup. We have a lot of customers that do that. When that piece of equipment then becomes too old, they'll give us a call for the recycling piece.

Chris Riback: Events and trade shows.

Mike LoRusso: Yes, we have another division that does trade shows and events. There's a myriad of different things that are required for this type of business. Inventory management, you need to have some storage as well. What we see from the base of this business that is required is you need to be able to let them know what you currently have in stock, they need to be able to send you product and inventory and have it available for them to pick and choose when they have an event. When we talk about an event, it could be, you're in Manhattan and you walk into a lobby.

Mike LoRusso: But that lobby is set up differently because there's an event going on. So you see couches as see chairs, you see equipment. All of that will have that inventory. And we'll have a logistics manager from one of our clients pick and choose that material, tell us that, "We want that material on a Tuesday morning at 8 AM set up in the lobby." They'll have people on-site, we may deliver it and also offer manpower. Sometimes they have their own manpower, so it all depends on what the requirement is.

Mike LoRusso: But we're housing that inventory and then we're making a delivery and helping with setup. At the end of the event, they'll tell us, "The event ends at 10 PM on Wednesday. You need to be there to pack it up, help us pack it up, and then bring it back into inventory."

Chris Riback: What about when you're shipping this? You're ever shipping this long distance destinations and what does that air travel look like? Does this all fit in commercial jets or how do you handle air transport?

Mike LoRusso: Domestically, if we can move it economically we'll move it on the ground via skids through our ground network, okay? That's normally how it goes. If it's large where it's a 53 foot truck load of equipment, we'll actually contract a 53 foot truck to move it from point A to point B. Now, when we're going in the air with it, it has to go, let's say internationally. We'll look at particular aircraft, we know that there's certain limits. So when we're looking at either a cargo aircraft or wide body and we'll make sure that the skin material is associated with the requirements of that aircraft. However, there are times where you may have a crate, you may have some piece of equipment that's enormous. How are you going to get it moved? So we'll use various methods, we'll use cargo aircraft to get that moved and we have the ability to do that just from our experience.

Chris Riback: Mike, let's dive deeper into the various business areas that you've mentioned that you work with. What are the kinds of logistic needs that each of them typically has? Tell me about high tech.

Mike LoRusso: Yes. High tech it's an area that they're expedited shippers and that's where we come in. They may have some product that's deferred that can go with an integrator, but when we get involved, it's immediate need. We can have scheduled pickups where that product needs to be in destination as soon as possible, because there's, may not be a line down situation, but the customer needs it to support their current line. The next level is if there is a line down situation where, let's say it's in the automotive, they can't basically get cars off of the assembly line because there's a piece of equipment that's down. It's millions of dollars that's at risk, they need that product there as soon as possible.

Mike LoRusso: Now getting it on an aircraft and it's a changing flight to get into Shanghai or get into Nogales, AZ may not be sufficient. We may have to charter aircraft because they need it there immediately. So within 45 minutes we have a charter aircraft and you want a vendor that has the ability to do this and has a 24/7 control tower that they can reach out to and then within 45 minutes to an hour, we have a staged aircraft that, "Okay, we're going to fly in to wherever we need to fly it into." We have a courier meet it, pick up the product and bring it to destination. We've had those scenarios before, middle of the night, but it has to get there.

Chris Riback: Is your favorite movie, Planes, Trains and Automobiles?

Mike LoRusso: Great movie. John Candy is my favorite.

Chris Riback: I thought it might be. That's the image I'm getting. That piece of equipment has to get home for Thanksgiving and whatever it takes.

Mike LoRusso: When it's a charter type situation, it's every hour we're communicating with them. Is the plane there? The product has been picked up. We're going through LA traffic. When is the driver going to... we are constantly, we're GPS-ing it, could have a GPS on the unit. So now it's in the air and after probably five, 6,000 feet, that GPS and it's a GPS tracker so it pings, we can set it to every 10 minutes. It'll just go off because it'll stop-

Chris Riback: Because of the altitude. Yes.

Mike LoRusso: Correct. Then what we know it's on the plane, it's in the air and as it starts descending, it starts pinging again. So now we picked up the sign and we're like, "Okay, aircraft's 10, 15 minutes from being on the ground, courier is in place and they're waiting for the piece to come off the aircraft and we're making delivery.

Chris Riback: You're like the ultimate helicopter parent. You're like on it all the time.

Mike LoRusso: It's pretty cool when stuff like that, when it comes together because there's an immediate need. You know that the customer is, it's dire straits and it could be their customer who needs the part, but when it gets delivered and you hear, "Yes, it made it and everything's working, they got it in place." Great, you're going to get that call again and that's what we want.

Chris Riback: To start to close the conversation, Mike, a couple of questions where it requires you to put your advisory hat on. In looking at businesses global supply chain, I mean I know that you're logistics, you're transporting things, but thinking about a global supply chain how can companies in these industries improve and streamline global supply chains? Are there tips, keys that you see through the years?

Mike LoRusso: Yes. Naturally, I think we talk to customers and we look at industries where they can have tremendous logistics personnel, okay? They know that certain product can move this way economically, they know what their expedited product is and they lean on that vendor to perform, it's crucial. They may have some other deferred, so they may have a couple of different vendors in the mix and you need to be able to use those vendors effectively. For on the expedited side, we need to be able to perform and that vendor, whoever is chosen needs to be able to perform and do exactly what that customer needs. In terms of next flight out, making sure things are done, the milestones are updated and that they're getting the service that we're advising them of.

Chris Riback: Finally, what's next? What trends do you, new technologies, what should folks who are interested in the global logistics transport world, what should people be on the lookout for?

Mike LoRusso: Yes, what we're seeing on the IT services and data center side is, a lot of companies with the internet of things, okay? And the ability for product to go and software to go up to the cloud, they're moving a lot of their data centers to [colocation] facilities. For someone else to manage it makes sense where maybe you had 15 devices, you don't need to manage that yourself. So they're going to some of these big, larger companies to manage that.

Mike LoRusso: We're seeing a lot of IT service companies that manage those assets become our customers. They need to move these products and so we're seeing some of that movement. We're also seeing as equipment, naturally over time, equipment gets smaller and smaller and that footprint, those data centers are getting smaller and smaller. So we're seeing a lot of customers are leaving that arena so they need to move this equipment. What are they doing with it? Well, some of it may go to the [colocation] facility and have someone else run it or, "Hey, we're going to upgrade and our consultants said we should upgrade to this various equipment."

Mike LoRusso: Now they have equipment they need it moved out, but what do they do with it? Well, we can recycle it, there's some value. That's another thing we didn't talk about, we have the ability and there's market for some of the equipment that has value to it. It's only a couple of years old, we'll make sure it's scrubbed, there's no data on it. But again, someone else may use it. So as long as we have certificate that says it's been scrubbed, DOD scrubbed we can

actually sell it for the customer. Those are couple of options that we would look at. That's definitely what's happening and we see that in a data center trend.

Chris Riback: Very interesting. So really the shift of data moving to the cloud, let's say moving upstream is really one of the major changes that you're seeing. It's opening up, it sounds like another area of business for you, but it's also changing some of the requirements, it sounds like for your existing clients.

Mike LoRusso: Correct, correct. We're talking to those clients and talking to our partners on the IT side. So we're right there we're in front of it and we're there to offer those services.

Chris Riback: Mike, thank you. Thank you for the conversation. I will say you do seem to make the impossible sound not quite so daunting. I'm glad that you've had contingency plans for everything and thank you for your time.

Mike LoRusso: Thank you. Chris.