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Joseph Crestuk, founder of CNY Communications, in one of the company's server rooms in the State Tower Building in Syracuse. The company has seen strong growth since its inception.

CNY Communications sees strong growth

by Kevin Tampone, Journal Staff 07/06/07:

SYRACUSE — CNY Communications, Inc., a wireless-Internet company, has continued to see strong growth since forming in 2005.

The company has increased its number of customers from about 70 a year ago to approximately 200 now. CNY's founder, Joseph Crestuk, declined to discuss the firm's annual revenue.

"We're growing," he says. "It's really been a great time for the company."

The main reasons for the growth are the company's off-site data backup and Web-site and e-mail hosting services. CNY Communications has been offering its backup service for about a year, Crestuk says.

The service allows clients to back up important files to CNY's servers remotely. The company has servers for the backup product in Rochester and Syracuse, allowing it to serve both markets, Crestuk says.

Although the firm's main clients are small and mid-size businesses, Crestuk says the backup service can be used by anyone, even an individual. The backups occur automatically and can include an entire server's worth of information or just a selection of important files.

The other growth driver, the company's Web-hosting service, has been available since CNY's founding. In the past year, however, Crestuk says he has added some new features that have helped dramatically.

They include additions such as e-commerce capabilities, blogs, and photo viewers, Crestuk says.

"That's been a great push to drive the growth," he says.

CNY Communications also continues to provide wireless-Internet service and Internet-based phone service.

The firm also offers a redundancy product.

The product is a box installed on customers' networks that provides Internet redundancy through CNY's network, Crestuk explains. For example, if a company's land-based Internet connection is cut for some reason, the box detects the interruption and immediately transfers Internet functions to CNY Communications.

The real boon for Crestuk's company, however, is that the product allows him to court potential customers still under contract with land-based providers.

Many potential customers already have signed contracts with other firms that have to be fulfilled, Crestuk explains. The redundancy product provides a way for him to start relationships with those potential future customers.

Companies could choose to use CNY Communications' network in combination with their land-based connection to dramatically increase bandwidth, he adds. A secondary function of the redundancy box is its ability to pool the bandwidth of both land-based and wireless networks when both are working, Crestuk says.

Redundancy products have been available for years, although the initial cost to install one was generally between \$16,000 and \$20,000, Crestuk says. Similar technology has come on the market recently, however, that costs less than \$1,000.

The upfront cost can be built into a customer's monthly CNY Communications' bill, Crestuk says.

Crestuk, CNY's sole owner, adds he expects continued customer growth. He is currently the company's only employee and plans to keep it that way for now.

He uses local subcontractors in both Syracuse and Rochester for installations and service calls.

Crestuk formed CNY Communications after leaving a position as vice president of business development for the now-defunct Xtelegent Networks in 2004. Xtelegent filed for bankruptcy in January 2005.

CNY Communications leases more than 1,500 square feet in the State Tower Building and has customers in the Buffalo area in addition to Syracuse and Rochester.