

# **Entrepreneurship**

**“Suggested Roadmap for Success”**

**Business Incubator  
to  
Business Corporation  
via  
STEM**

# Topics of Discussion

- **Personal Background**
  - How I got here
- **A 'multi-domain' business strategy with a proven track record**
- **How to develop and sustain an effective work environment**
- **A suggested operating paradigm**
- **Wrap-Up with a Q&A session**

# Career Re-Cap

- **Graduated small town high school**
  - **Academics & Sports**
  - **Dreamed of being a football coach**
    - **An uncle & my father steered me in a different direction**
- **Enrolled @ PSU Altoona campus**
  - **1<sup>st</sup> year was nearly a total disaster**
  - **2<sup>nd</sup> year transferred to main campus**
    - **Year of getting re-focused**
    - **Two individuals helped more than they ever knew**
      - **Dr. Carl Volz Sr. & Ron Stoll**
  - **3<sup>rd</sup> year forward - course work became a breeze**
- **Graduated PSU with a MSEE**
  - **Left with an embedded 'engineering' thought process that has never failed me**

# Career Re-Cap

(cont'd)

- **Spent the 1<sup>st</sup> 12 years of my career doing design & development work on projects within the US Intel community**
  - Won many technical awards
  - Chump change financial rewards
- **An eccentric leader at Magnavox heard about me and recruited me**
  - **Moved me from Cocoa Beach FL to Ft Wayne IN**
    - Yes - this was a significant event
  - **He provided me the opportunity to learn the business side of the Intel community**
    - Key point – it was up to me to learn – he just helped in opening some doors – I had to go in and sort out what was important and what was flak

# Career Re-Cap

(cont'd)

- **Spent the next 14 years of my career building new businesses for companies working within the US Intel community**
  - **Magnavox - \$75M**
  - **Harris - \$40M**
  - **Motorola - \$55M**
  - **UNISYS - \$600M**
  - **Contel/GTE - \$70M**
- **Common factors through out the winning of new business for others included**
  - **It was fun and my ego was rewarded**
  - **Each had “chump change” financial rewards and I had to put up with a lot of game players**
- **In 1991 a major consulting firm heard about my business successes and recruited me**
  - **It offered me a chance to learn the “services” business**
  - **It also offered “serious” financial rewards**

# Career Re-Cap

(cont'd)

- **During the next 5 years I enjoyed tapping into industry best practices and implementing innovative solutions using best of breed technologies**
  - **However a conflict arose – business ethics**
    - **Started looking for a way out**
- **Spent the next year simplifying my business strategy and developing an operating paradigm that would allow the strategy to be executed in all markets**
  - **Started looking for the right opportunity to allow the implementation**

# Career Re-Cap

(cont'd)

- **In 1997 the right opportunity came along**
  - **Crossed paths with a mentor from my Magnavox days**
    - **He had the inside track to buy an old Honeywell engineering facility in Annapolis MD**
      - **He needed help/I saw the potential**
      - **We pooled our money for the down payment and I ran the acquisition – completed on 2/12/98**
    - **I structured a unique legal entity to protect my minority interests and started building a business**
      - **In five years we grew to 400+ staff and revenue exceeded \$10M/month**
        - » **\$700M in backlog included 100+ Government and 30+ commercial contracts**

# Career Re-Cap

(cont'd)

- **In 2004 my partners wanted more cash**
  - **I was not interested in selling so I put a big # on the table and said if they could find a way to match this # I would listen**
    - **In addition I wanted exclusive rights to 3 sets of Intellectual Property**
      - » **Liberty Cane**
      - » **PMPS**
      - » **Profit Sharing & Equity Program**
  - **To my surprise they found the cash (December 2004)**
    - **I considered matching the offer but to do it I would have had loan sharks as partners**
    - **I opted to cash out and do my own thing**
      - » **In January of 2005 my retirement financial portfolio was secured**
      - » **We relocated to Naples Florida**



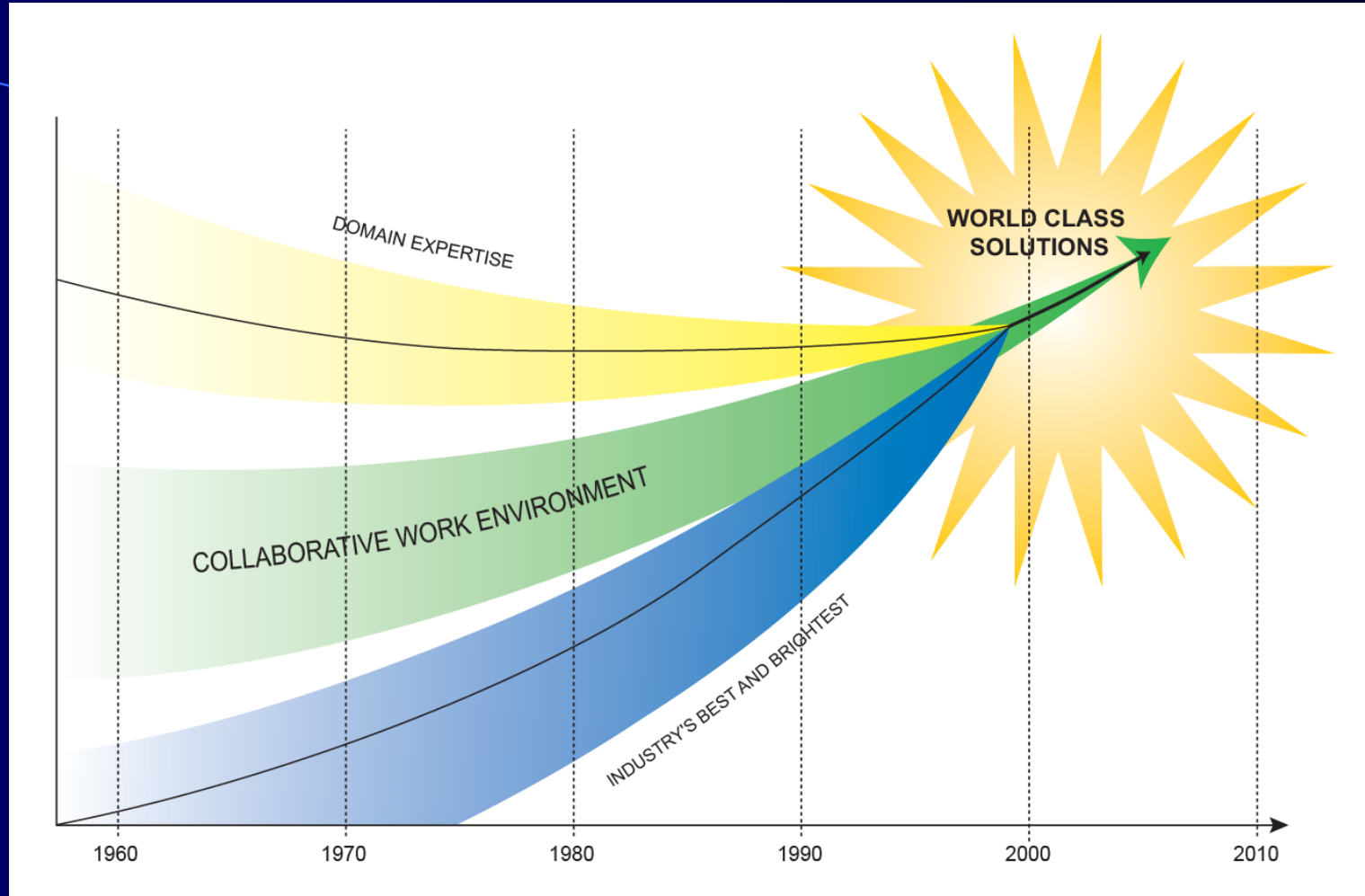
# Career Re-Cap

(cont'd)

- **In February 2006 I started two(2) new companies and acquired ownership positions in three others**
  - **Each initiative was given 18 months to reach a positive cash flow otherwise I'd shut it down**
    - **In addition, I only get involved with "fun" initiatives**
- **Each venture that I am involved with is following a common business strategy**
  - **This strategy is depicted on the following "vision" chart**

# Our Business Strategy

*“To Be World Class In The 21st Century”*



*Merging Legacy Operational Experience with Best of Breed Technologies---  
to Offer a Powerful Delivery Capability*

# **Employee Work Environment**

- **The key factor for *long term success* in any business venture is to establish a positive work environment**
  - **Must be attractive to job applicants**
  - **Must sustain a stable work force**
- **This has very little to do with providing one with an office with a window**
  - **More importantly, it is how you recognize and reward employees for personal achievements**

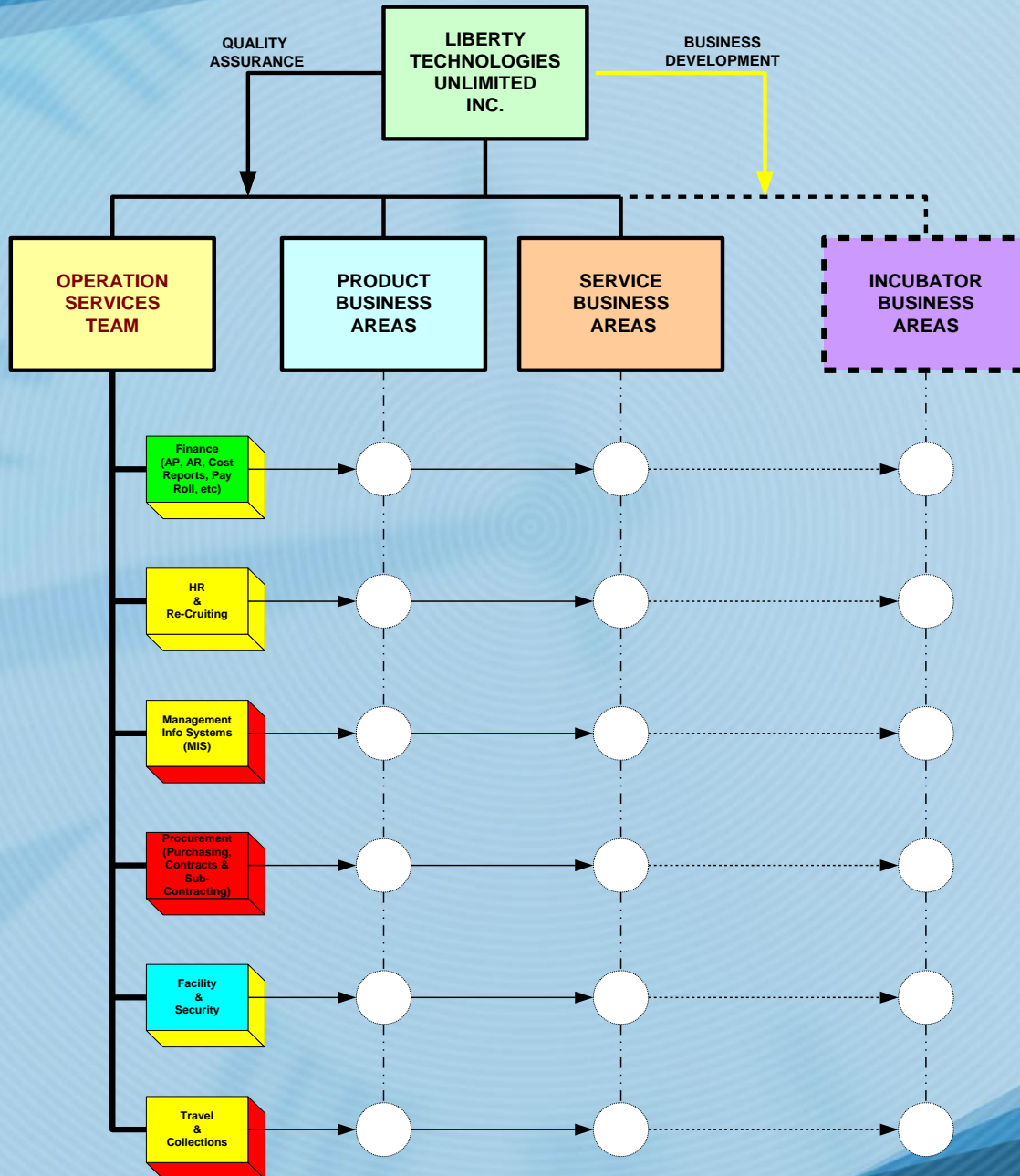
# **Employee Work Environment**

**(cont'd)**

- **The best way to attract and retain creative staff**
  - **Offer them equity in the business they help build**
    - **Offers them “long term” financial rewards**
  - **Give them regular cash disbursements from the profits that they help drive to the bottom line**
    - **Usually satisfies most of their “short term” financial needs**
- **The Liberty P&E Program was designed to attract and retain entrepreneurs**
  - **An operating paradigm was also developed to maximize the chances of success**

# **A Suggested Operating Paradigm**

- **The following chart depicts an operational model that was developed to maximize the success rate of start-up Business Area's**
  - **Allows each Business Area team to focus on customer marketing, selling and delivery**
  - **Allows the Operational Services Team to focus on service delivery to their prime customers - each Business Area**

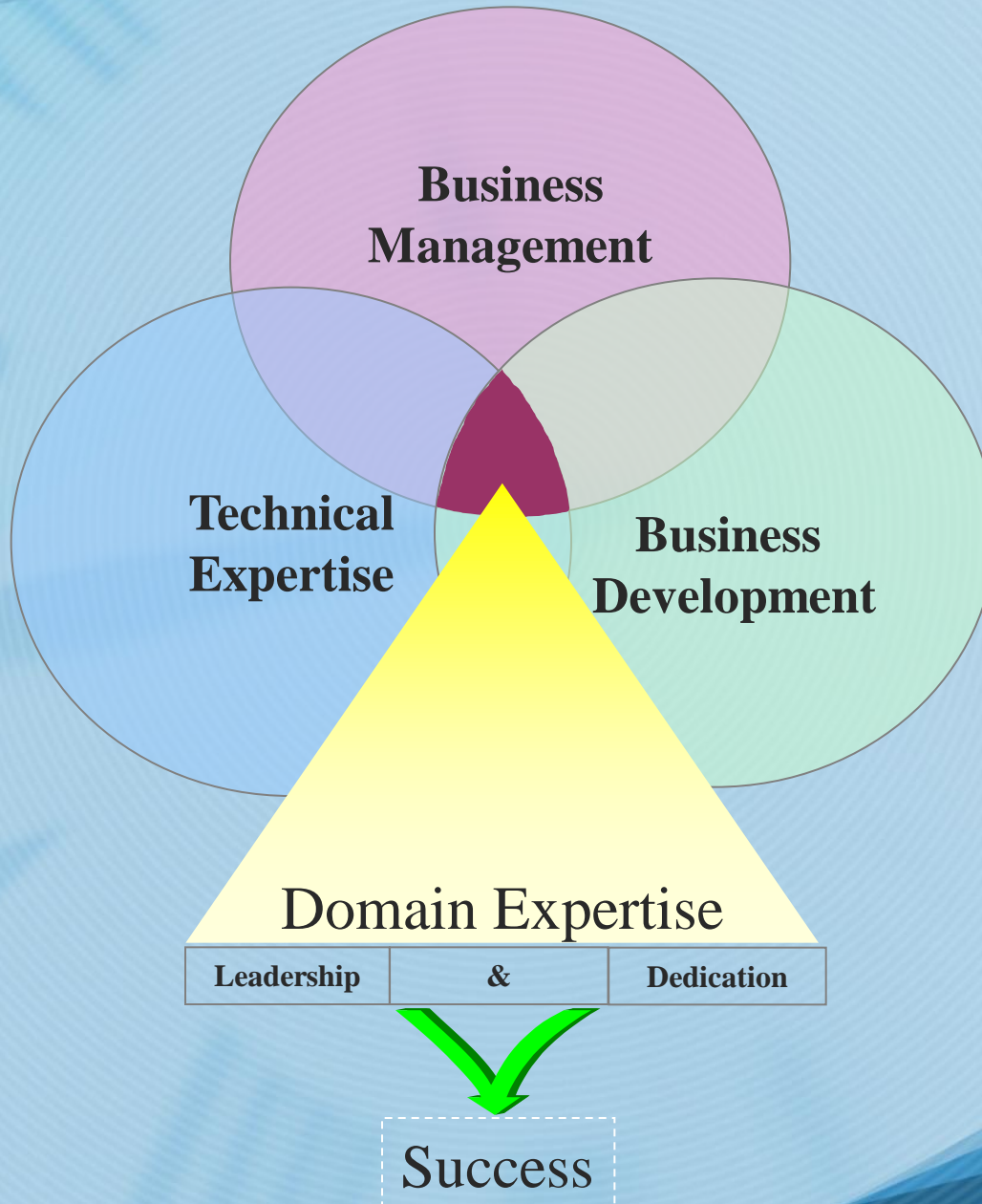


# Liberty Business Area

## *“Definition”*

- A Business Area is a business unit within Liberty that has an approved “Operating Plan”
  - Defined Revenue and Profit projections
  - A defined Set of Services and/or Product Offerings
- The Manager of a Business Area is called a Business Area Manager (**BAM**)
  - A **BAM** is responsible for both Strategic Guidance and Day-to-Day management
  - All employees are eligible (actually encouraged) to submit their own business plans
- A BAM must know and accept their own level of skills
  - Must add key staff to fill skill level voids

# BAM - Critical Skills



**Business  
Management**

**Technical  
Expertise**

**Business  
Development**

**Domain Expertise**

**Leadership**

**&**

**Dedication**

**Success**



# Operation Services Team

*“Seasoned Business Professionals – Cash is King”*

- Finance Team
  - Formal business processes
  - DCAA approved accounting system
- Project Control Specialists
  - Project Cost & Schedule Reporting
- Human Resources Team
  - Staff development & retention
  - Recruiting
- Procurement Team
  - FAR/CPSR compliant
  - 24-hour turn-around
  - Minimal mark-up
- Security Team
  - Dedicated FSO and CSSO
  - Cross-agency knowledge
- Facilities Team
  - In-house design
  - In-house construction
- Management Information Systems (PMPS)

# **Wrap-UP**

**Questions from the floor**