

## The lowdown on innovative leadership

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Dennis Brown started his logistics business from scratch seven years ago and has learned some useful leadership lessons along the way. Leaders should not get so consumed by day-to-day tasks that they fail to plot a growth strategy, he said.

"If you're not focusing on growth, you're shrinking, whether you realize it or not," said Brown, chief executive officer of Logistic Dynamics in Amherst.

Advice and insights on developing a business flowed freely Wednesday at the Western New York Leadership Forum in the Burchfield Penney Art Center. Innovative leadership was the topic.

Brown was joined on a panel by Sam Heleba of Graphic Controls, Peter Hunt of Hunt Real Estate Corp. and Rick Posa of SAMCO Technologies. They reflected on how their companies have overcome obstacles and acted on growth opportunities.

Brown's company, which arranges transportation services by truck, rail, air and ocean, employs 25 people locally and has 37 branch locations in North America. It recorded sales of \$18 million in 2009 and is targeting \$100 million in revenues in 2015.

Some of Brown's leadership advice centered on effective employees. He cited a theme he liked from the acclaimed business book "Good to Great": Get the right people on the bus, get the wrong people off the bus, and get the right people into the right seats.

As for compensation, Brown said his company's "pay for performance" incentive program has generated strong results. "People don't mind doing more if they have the opportunity to earn more," he said.

Graphic Controls' plant in the Exchange Street business district, built under Tyco's ownership, is a key part of the company's success, Heleba said.

"We built a brand new factory, state-of-the-art, and that in itself differentiates us as a relatively small company but with a big-company facility," he said. And that counts with customers who visit to scrutinize the operations, he added.

Heleba said recruiting the right people is also essential, which he described in sports terms as "draft well and find good free agents."

Graphic Controls' products include charts and marking systems, medical recording papers and entertainment and gaming tickets. The company was acquired in the late 1990s by Tyco, a multibillion-dollar conglomerate, and regained its independence in 2004. Heleba said Graphic Controls has tried to "keep the good from corporate America and get rid of the bad."

The company makes acquisitions that are a natural fit and has broadened its product lineup, Heleba said.

Under Tyco's control, it faced a challenge from within. Several years ago, Tyco stripped away its medical business, subtracting millions of dollars of annual sales. "Quickly we had to reinvent ourselves," Heleba said.

In 2001, Graphic Controls expanded into the gaming industry and is now the global leader in that segment, with sales of more than \$30 million, he said.

After separating from Tyco, a noncompete agreement kept Graphic Controls out of the medical business for three years. The deal expired a couple of years ago, and Graphic Controls now has its medical products in more than 600 hospitals, and it counts GE Medical as its largest customer in the segment.

Heleba said Graphic Controls has achieved those results by learning its customers' needs and how to address them, and by distinguishing itself from the large-scale competitors in the medical segment.

"We saw that some of the larger players were just ignoring their customers, and we weren't going to do that," Heleba said.

Hunt Real Estate has offices across New York State as well as in Florida and Arizona. Hunt, the CEO, said the company has concentrated on making its people as productive as possible to grab more market share and has expanded its menu of services far beyond home sales.

The company has enthusiastically embraced the Internet and technology tools to connect with customers, he said. The person in charge of its new technology platform is 22 years old.

Hunt Real Estate has added content to its Web site to appeal to visitors, Hunt said. "It's extended the time that a customer will spend looking at a real estate-related issue," he said.

Hunt said he sees part of his leadership role as maintaining a family business here that dates to 1911. In 1997, he had an opportunity to sell his company and move to New Jersey to work for another organization. But he said the idea just didn't appeal to him.

Posa, CEO of SAMCO, said he attends trade shows not only to drum up business but to take the pulse of his industry. He also pays visits to customers to find out what their concerns are.

SAMCO makes equipment used for handling water, wastewater and process filtration. Several years ago, faced with stagnant sales, the company took a thorough look at its operations and identified markets it could expand into to stimulate sales, he said.

"Clients don't want to spend money to clean up waste," Posa said. The company has found new opportunities selling in the industrial and energy markets, shifting away from the remedial business.

Posa said SAMCO's sales were going strong last year until orders dried up in July, fallout from the economic downturn. "We're starting to see a pickup in new orders," he said.

Wednesday's forum was presented by several organizations, including Jaeckle Fleischmann & Mugel, Lumsden & McCormick, and World Trade Center Buffalo Niagara.  
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*From left, Sam Heleba, Dennis Brown, Rick Posa and Peter Hunt participate in a panel discussion on innovative leadership at the Business Leadership Forum in Burchfield Penney Art Center on Wednesday.*