

CEO CFO

metapower

The Power To Change

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As One of the Few Companies Developing Culture-Centric Processes and Management Technologies for Safety and Compliance Issues in Hazardous Industries, MetaPower International, Inc. is Well Positioned for Growth

Technology
Information
(MTPR-OTCPK)

MetaPower International, Inc.

9901 NE 7th Avenue, Suite B-233
Vancouver, WA 98685
Phone: 800-328-9774



Kenneth Ray Allen
President and COO

Company Profile:

MetaPower International, Inc. is a technology and services firm originally founded in 1996 that provides information technology and change management services to the hazardous process industries. This link between technology and services is critical to manage the changes necessary to successfully compete in the current environment. In today's world, business operations must be streamlined to meet the challenges of these turbulent economic times.

About MetaPower

MetaPower, Inc. is a management-consulting and technology firm dedicated to harnessing the power of Business Process, Technology and Culture Reform to help clients achieve maximum sustained production within the bounds of Safety and Environmental Compliance. Our solution sets are based on the fundamental recognition that performance is a direct function of leadership, worksite culture, process efficiency, and regulatory adherence. MetaPower is dedicated to ensuring that our clients reach their ultimate success: maximizing production, while maintaining the highest levels of safety and environmental compliance that society demands. We have developed the ground breaking Noble Production Product Suite that combine's information technology, business process expertise and culture reform. Noble Production enables plant managers to get the performance levels that their stakeholders demand.

Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine

CEOCFO: Mr. Allen, what is the focus of MetaPower today?

Mr. Allen: Our focus is on applying business process management technologies to the hazardous process industry's issues with safety and compliance management.

CEOCFO: What are some of the unique features that Metapower offers to bring clarity to safety issues?

Mr. Allen: The biggest one is the use of technology to support the development of strong operational cultures. The safety performance of a company

is very dependent on its culture and that culture has to be formed and shaped by leadership. Members of the group and their leadership can use technology to help them improve their culture. So this a very innovative approach to the safety culture challenge.

CEOCFO: Has the issue of managing safety been a concern for companies?

Mr. Allen: They have not really looked at the idea of managing the safety culture with technology. The use of technology systems is certainly large scale in the industry, but these systems are used for work control, financial control, and materials and supply chain control. When these systems have problems, performance failures are usually blamed on the culture: people do not want to do it, people do not like to do it, or people do not understand why they should do it. So using technology to help people willingly become part of the process and to align with procedures is a new approach. It is like the two parts, technology and culture, have never worked together before.

CEOCFO: How does it work, what is it that MetaPower is actually doing when you start with a client, and how are you improving their processes?

Mr. Allen: The beginning place is to identify the processes that the client wants to work well in order to have a safe plant and which the culture needs to support. This support includes peoples' attitudes and values. Then, we redesign that process with specific steps and the roles that will perform those steps. We make the accountability very clear in the design, and then the technology helps us make that accountability clear to

everyone in the organization. Then we engage the management to understand that culturally, people are not going to understand all that is expected of them with these process changes, they just can't absorb it all in context of their current culture. Therefore, management's mission is now to coach the intent of these processes, helping the people to become compliant. Having effective accountability turns out to be the primary tool to accomplish the cultural change and the technology provides the information that management needs to be effective in this coaching of the group towards the kind of culture they need to have. This approach can be applied to safety culture as well as other cultural objectives.

CEOCFO: What is one thing that people are not doing that they should, and what do you put into place to change that?

Mr. Allen: It is very typical in the hazardous industry to have a work permitting process that involves a field level risk assessment procedure. This procedure is for the worker to perform an assessment of the job environment and the work tasks to identify and mitigate safe work issues. We use a process that checks off and verifies the procedure as part of the permit to ensure the procedure performance. We also have supervisors routinely observe their people performing the procedure. They actually score and record the observation so the organization can monitor the overall performance of the procedure. This gives management information about how well the organization is performing as a safe culture in regards to this specific safe practice, and identifies opportunities to coach individuals and groups in the purpose and intent of the procedure. This coaching moves the culture toward a safe culture.

CEOCFO: Is there much competition for Metapower's special niche?

Mr. Allen: There are plenty of companies engaged in the safety business providing goods and services to make the workplace safer. There are consultants that specialize in implement-

ing safety programs and there are software vendors that provide various specialized safety systems. However, offering a technology solution to improve the safety culture of an organization is very new and innovative.

CEOCFO: Do potential customers realize they need to change culturally?

Mr. Allen: They know that their primary safety issues are cultural issues; getting people to behave in the right way so that they will work safely and productively. They also know that there are technological solutions out there for safety problems, but they fear that their cultures will make the investment in the technology a waste, because their people will not use it or will not use it correctly. They have experienced these failures of technical solutions many times. Therefore, the client sees the challenge of get-

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ting the culture to be what it needs to be as an obstacle to the success of technical solutions as well as the core issue of their safety problems. So, when we connect the potential for technology to help them achieve the culture they desire, rather than the culture being an obstacle to the technology, this becomes a winning combination.

CEOCFO: How do companies find MetaPower, and how do you reach out to potential clients?

Mr. Allen: Although, we have been in the industry for sixteen years and have done a lot of custom work for our clients, we are now offering a packaged solution to the entire industry through a three-part approach. First, we are presenting our concepts, ideas and product at industry trade shows. Second, we are calling and talking to the right people within each company in the industry. It is not such

a large market place that we cannot directly connect with all of the potential customers. Third, we are using social media for general marketing of our message, directing traffic to our website with blogs and social media connections.

CEOCFO: On your website MetaPower has a list of easily recognizable companies as clients; I would suspect this helps get a foot in the door.

Mr. Allen: Well it does. We certainly have been in the business a long time and engaged by many significant, well-known companies. This experience is a big help to us.

CEOCFO: Recently you have had contact through your Canadian subsidiary for an oil sands company; would you tell us more about that?

Mr. Allen: We do. We cannot talk about the company directly, but we have a major client relationship up in the oil sands that has been a key part of our company's growth over the last four years. The industry up here is booming and in need of the kinds of knowledge and expertise that we possess. Our experience in the nuclear industry and our business process oriented approach is new, but very relevant to the oil sands. Therefore, we have picked up a lot of work helping them get their processes designed and their culture aligned.

CEOCFO: What has changed in how MetaPower approaches the processes over time?

Mr. Allen: We were highly influenced by Jim Collins' book Good to Great, and with the core notion of a hedgehog concept. One of the things that we knew about ourselves is that we tend to be a little bit abstract; somewhat theoretical for general mass marketing. We do well with our clients once engaged, but being able to mass market our ideas was difficult. Therefore, we have focused on engineering our understanding and our expertise into product offerings that are simpler for our clients to understand and to implement, and more cost effective for them.

CEOCFO: What is the financial picture like for MetPower today?

Mr. Allen: We are going to close out 2011 on plan. We will be very close to \$14 million this year in sales with an EBITDA profit of \$650 thousand. Next year we are looking at about a 30% growth on sales to \$18 million. Hopefully, our EBITDA will move up to a million dollars next year. We are very excited about the year. We have a new product offering coming out the door in the 1st Quarter, which we think will help us expand our customer base. So, all of this is good news for 2012.

CEOCFO: Once you put the system in place for a client, do you continue to work with them on it?

Mr. Allen: We help our client implement the system in a 30-day schedule that gets them up and running. The system runs on our servers over the internet in a cloud computing environment. We also provide them with follow-on consulting support as they need it either over the web directly or by visiting and working with them at their plant sites in a conventional manner. Therefore, our consultants are now engaged in a more pull-through service model. Our business plan also includes subscription agreements from these clients to operate the system on an ongoing basis, so there is a long tail of system revenue that we expect to generate from each of these clients.

CEOCFO: How can technology handle all that you mention?

Mr. Allen: I think your question is important. It was a challenge. In our industry, there has been a great divide between the soft skills of change and the hard skills of change. The soft skills being the culture and relational aspects of changing people and the hard skills being the change in procedures, processes and software where things are more specific. So our solution to integrating these two approaches through technology is a result of three years of work. We engaged several PhD organizational development people in a think tank and we spent three years doing industry research. I have to tell you these folks were very skeptical of our view of the integration of technology and culture when we started, but they believe it now and their participation in this work is a significant part of inspiring our confidence that this is an appropriate approach.

CEOCFO: Do you reach out much to the investment community?

Mr. Allen: We have not done a lot. We do not have any venture investors, as all of our investment has been by us, the principals in the company. We did become public through a Pink Sheets reverse merger in order to try and raise some capital as an early development company, but we were unsuccessful in doing that. However, we continue to be a Pink Sheets trad-

ing company and are looking to upgrade to the OTC in the near future. We are reporting on a regularly basis in that market place.

CEOCFO: In closing, why should potential investors take a look at MetaPower today?

Mr. Allen: There are two reasons. One reason is that the business of aligning company cultures that I just talked about has a lot of potential, not only in the specific hazardous industry, but in manufacturing and all kinds of business arenas. The idea of being able to align culture, with processes and systems to achieve the best possible result for your business is powerful and compelling. That alone makes for a lot of growth potential for the business. The second reason is that our technology is patented and is an underlying technology platform that really has major potential for the way business computing will be done in the future. Already we have found significant interest in the academic conferences with regard to artifact-centric business processing and our technology is exactly that, an artifact-centric processing model that the world is waking up to. This patent could be very valuable as a foundational way of computing in the business enterprise market in the future. Both of these facets combine to make MetaPower a valuable investment.



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