

Supply Chain and Mobility System Development, Deployment and Management



Jay Steinmetz - CEO

About Barcoding, Inc.

Barcoding, Inc. is a national systems integrator, specializing in the development, deployment, and management of supply chain and mobility systems based on automated data capture and wireless technology. More than 2,500 organizations depend on Barcoding, Inc. as their trusted advisor for barcoding and radio frequency identification (RFID) applications automating operations in: field service, food and beverage, healthcare, manufacturing and distribution, retail, transportation and logistics, and wholesale inventory. For more information, visit <http://www.barcoding.com>.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

CEOCFO: Mr. Steinmetz, what is the concept at Barcoding? What do you do?

Mr. Steinmetz: We provide our customers with mobility systems, proof-of-delivery applications, return management systems, and automatic identification technology. One of the key components to our success has been our ability to manage large-scale deployments of mobility systems using business intelligence, mobile device management, and lifecycle tools, some of which we developed ourselves, and others we have integrated or we have integrated components.

CEOCFO: Would you tell us about barcoding today in general? How is it being utilized and how are you able to enhance that?

Mr. Steinmetz: Barcoding is used in just about every facet of the industry and almost every industry out there. As far as *how* it is being used, sometimes we are just complementing existing systems and other times we integrate to existing customers that don't have anything. We bring a mixed bag of solutions to the table. Much of what we are doing involves first understanding units of motion, and then modifying existing processes and automating them – we actually change the process itself. For instance, if you have a system that you are using for inventory control, you may have a staging area and a quality control area. However, if we change the process by using automatic identification, you do not, in many cases, need a quality control area or even a staging area. Therefore, we have eliminated whole sections of operations and changed workflows.

CEOCFO: Are customers coming to you because they are aware you have value added systems or are they coming for the general barcoding and then finding out that you can really make it easier?

Mr. Steinmetz: Many customers are coming to us due to references from other companies that are employing industry best practices or benchmarking. When they go to a company that is a benchmark for the industry, they have a tendency to ask who implemented their system and why it works so well. In many cases, the company references Barcoding, Inc., as the integrator that completed the system and supports it. So, some of our biggest clients came to us because they repeatedly hear our name in discussion. Sometimes, these clients would say that they went to three different companies, all of which were recommended as best practice benchmark opportunities. In every single instance, these companies were utilizing technology that Barcoding integrated. Oftentimes, the top company in any given business segment, the industry leader, is our customer.

CEOCFO: What has been the challenge in putting together the technologies? Has it been that no one has thought of doing it or has it been that the technology is difficult to put together?

Mr. Steinmetz: We have been fortunate enough to use technology from some federal labs and universities. This has helped us not only to integrate existing product technology but technology and solutions that different industries offer. We have changed industries that have worked relatively inefficiently in the past because they assumed that they had to do things a certain way. We have turned those industries upside down by offering technology that changed the paradigm of how they operate. In some cases, we have used RFID (radio frequency identification) of different frequencies as well as different types of mobile technology. We have worked with active, passive, and integrated solutions. Many times, these are the right type of solutions, but people are afraid to use them because they sound complicated and appear difficult to put together.

CEOCFO: *How do you work with your customers to implement a new program?*

Mr. Steinmetz: We do a process analysis with our customers so that we get to know their businesses and understand their needs. We get in their vehicles, we do 'ride alongs' and we do process flow analysis. For example, I was inside of a vault with \$10 million the other day. Why was I inside a vault? Because certain customers may have 2,000 keys involved for delivering money to different locations across the country. This could be very complicated when you have to carry \$50,000-bags of money – you have various stops all over the place and you have to make sure you have the right keys at the right stop and the right money. If you do not, you have a vehicle that may be going three miles per gallon in the wrong direction. We have created innovative ways to solve that problem and add purity, flexibility, and efficiency all at the same time.

CEOCFO: *When the company comes to you, do they typically implement what you suggest?*

Mr. Steinmetz: Some do and some do not. Some implement a portion of it and some implement a piece of it at time. They stagger it, they evaluate it, and they move on. Many times, we do not recommend that they do them all at once. Rather, we recommend they implement pieces at a time because in many cases it is too difficult on a cost basis for a complete deployment. You have to show the ROI, build that ROI, and then go to the next level. This is the truth: I have had many opportunities that would generate \$1 million dollars a year in business, and I have told the customers they would be better off with a solution that may only cost \$10,000. I do that because it assures me that I am providing the right solution, and that is the bottom line. I am giving the customers what they need and offering the best solution for them. The truth is that this happens more often than not. We listen to our customers that are told to do X, Y and Z. We explain that every action has a reaction and every action has a consequence. You have to measure where you are and gauge where you are going, and then you have to figure out what is involved to get you there, plus the ramifications and associated costs. We are very detailed in those areas and it is part of our whole consulting practice.

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CEOCFO: *What do you look for in your people? How do you develop an expertise in this area that seems to pull in many different areas of knowledge, as well as take into account your corporate culture?*

Mr. Steinmetz: We take our time when it comes to evaluating the acquisition of talent. We work very slowly to find the right people and then integrate those people into the company. We have made six acquisitions over the years, but we have evaluated 25 companies for acquisition. Therefore, we do not always buy the companies we are considering. We take our time and make sure that we are making the right decision.

CEOCFO: *Is it the people that you are essentially buying when you buy a company?*

Mr. Steinmetz: There is no question about it. We are hiring people. Do not get me wrong, there is technology involved, but most of the technology will not go anywhere without the people.

CEOCFO: *What is your geographic range?*

Mr. Steinmetz: We have offices all across the country and we have an office in the Netherlands, which I started in 2000.

CEOCFO: *Is Europe a growth area?*

Mr. Steinmetz: Yes, we are looking at different solutions there.

CEOCFO: *Is there a particular focus now?*

Mr. Steinmetz: Right now, we are expanding across the country. We just announced the opening of our California office, and we have other offices that will open in the near future.

CEOCFO: *What is the key to growing a business that is detailed and does have a very set culture and focus? How do you as CEO control that? How do you make it work well at all the locations?*

Mr. Steinmetz: I find the right people and I let them run the show. I surround myself with people who can operate. I do not run my company, I have people who I entrust to do it for me. I hired the right people and they build upon their people, and we have a very good cadence.

CEOCFO: *Are there things you would like to be able to do and areas you would like to find solutions for that are in process or in the thought stage?*

Mr. Steinmetz: We are working much more in RFID technology and advanced technology. We are implementing very advanced integrations and are doing some paradigm shifting technology that nobody here has seen. We have some new patents and we are doing some very innovative work.

CEOCFO: How do you evaluate the new technologies to know what you might incorporate?

Mr. Steinmetz: We cannot. It is hard to do that. You cannot be everything to everybody, and you have to pick your battles. You have to pick your battles and look at which ones are the most appropriate at the right time.

CEOCFO: What surprised you and still surprises you about the business?

Mr. Steinmetz: I would say that as it continues to grow, we continue to get tier-one clients and continue to innovate, manage the process, and build upon the foundation.

CEOCFO: Put it together for our readers. Why pay attention to Barcoding?

Mr. Steinmetz: While there are many companies in our business, there are very few that understand the fundamentals of deploying mobile technology successfully at a Fortune 500 company— how to use that technology to become more efficient, accurate, and connected. We have been at the forefront mobility technology for 16 years, and we continue to build upon our experience year after year. We hope to continue that trend.

CEOCFO: Final thoughts?

Mr. Steinmetz: The industry is changing fast. Many companies are actually folding. Many companies in our space are experiencing significant challenges because they just do not understand where the business is headed. There are only a few companies that can take advantage of this level and speed of change – and Barcoding is one of them.

BIO: Jay Steinmetz founded Barcoding, Inc., in 1998 from his apartment in Baltimore, Md. As the company's CEO, Steinmetz is an effective entrepreneur, growing Barcoding into an industry-leading RFID solution provider with over 75 employees and 2,800 business customers throughout North America.

Steinmetz began designing barcode systems for the Department of Defense and supply chain businesses as a materials management programmer at FMC Corporation in the company's Ground Systems Division. From 1992 to 1997, he developed radio frequency (RF)/Batch software products as the software product manager at Accuscan, since acquired by Peak Technologies.

Additionally, Steinmetz is an active member of a variety of boards and professional associations, including The Associated.org and Port Discovery. In 2008 and 2009, he served as the treasurer of The Maryland Technology Department Corporation (TEDCO), an organization that funds and supports private sector technology in the state of Maryland. Then, in 2010 and 2011 Steinmetz became the chairman. In February 2011, he was named to Governor Martin O'Malley's Governor's Commission on Small Business, which consists of small business leaders and entrepreneurs from throughout Maryland, who meet quarterly and review O'Malley's "Maryland Made Easy" initiative for improving business environments and relationships between the government and business.

In 2006, Steinmetz received the Ernst & Young Entrepreneur of the Year® Maryland award in the technology category. Steinmetz is a published author, whose columns have appeared in industry trade magazines, including *Vertical Systems Reseller* and *Business Solutions*. He regularly speaks at major industry conferences and events.

Steinmetz holds a bachelor's degree in management information services and operations management from the University of Arizona.



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