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The Most Powerful Name in Corporate News



Engineering, Operations and Maintenance for the Renewable and Telecom Space

Interview with: *Paul Roamer, President*
Conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

CEOCFO: *Mr. Roamer, what is the concept at Ethos?*

Mr. Roamer: We are an engineering, operations and maintenance company. We provide services across the telecom and renewable space including wind and solar. Our niche is that we specialize in servicing distributed systems where it is cost prohibitive to maintain full time, on-site staff.

CEOCFO: *With whom are you typically working?*

Mr. Roamer: Our target customers in the renewable space are commercial (i.e. schools, farms, hospitals, government) and utility scale installations. We felt like there was an opportunity to provide first class engineering service, asset management support and O&M to customers that want to have renewable power generated on site, but do not really have the expertise to manage those assets. That is where we cut our teeth; that is our original formation. Last year, we entered the telecom services industry, because the telecom carriers were in the midst of a massive system upgrade, and they needed companies that can provide skilled technicians that are trained to work at heights – an obvious synergy to our wind technicians. The telecom service industry does not have a great safety track record, whereas the renewable industry does, particularly on the wind side.

CEOCFO: *Do you see that as becoming a major part of what you do or more ancillary?*

Mr. Roamer: I believe that the two businesses will move hand in hand. When you look at the dispatch model on the distributed side, we work at a turbine here, and a solar site there. Telecom is very much the same thing. It is traveling from cell tower to cell tower. We think the two are very complimentary. We have found that our employees and technicians really get it and like the diversity going back and forth between telecom, wind and solar. The key is ensuring the all of our technicians are cross-trained before they are placed in the field.

CEOCFO: *What would they be doing for the telecoms? What do they need to do and learn to provide that?*

Mr. Roamer: When you look at the telecom industry, we are seeing is that the carriers are investing heavily in upgrading from 3G technology to 4G, so that means changing out the antennas, cabinets that control the antennas, changing from coax cable to fiber optic cable, etc. These are system upgrades. They are also building new cell towers in remote locations. As data usage goes up, the spread between cell towers has to go down in order to have enough capacity to handle all the data that people are using these days.

CEOCFO: *How are you reaching potential customers in all areas?*

Mr. Roamer: So far, it is really word of mouth and guerilla marketing. We are in the process of doing more of press releases, more show presentations, white paper submissions, etc.

CEOCFO: *What have you found most effective so far?*

Mr. Roamer: Word of mouth. In a service industry, all you have is your reputation.

CEOCFO: *Are there many companies that provide similar services or services of the same quality?*

Mr. Roamer: We obviously have competition in each of our target markets. However, we feel that Ethos is unique in that our business model is focused on efficient, cost-effective services to customers that cannot employ on-site technicians. Our synergy across telecom and renewables provides us the critical mass necessary in order to run a nationwide dispatch service model.

CEOCFO: *When you are talking with a prospective customer, do they understand the difference and your dedication to what you do as opposed to a competitor? How do you present that so it is understandable?*

Mr. Roamer: It is pretty straightforward. We usually start the conversation with “to become and remain an expert in your system, you have to be doing the work all the time”. It is really easy to do the preventative maintenance, such as greasing, torqueing, etc. However, when a problem occurs and timely troubleshooting needs to be performed, you really need to have technicians working on the system with the expertise and experience to get the system up and running fast in order to avoid significant financial losses due to downtime.

CEOCFO: You work nationwide. Do you have people around the country or do your people go out to jobs? How does it work?

Mr. Roamer: We are travelers. We send our guys all over the country. For example, right now I have crews in Indiana, Massachusetts and Utah, other crews headed to Idaho and headed to Washington. Next month, a crew is off to Alaska. That is pretty typical as we route guys all over the country. If a simple issue arises at a site where, for instance, an inverter restart is required, we will contract local partners to complete the reset in order to mitigate costs to our customers.

CEOCFO: How do you keep up with the changes?

Mr. Roamer: We attend many shows and we are making sure our guys are trained in the latest and greatest. You ask how we compare to our competition? One of the things that we do differently is make sure we have technicians on each crew that are site master certified. Do they really need to be certified? No, but we want to have someone on each crew ready with that kind of technical expertise so that when we hit a problem we can solve it as opposed to guys that have just learned on the job where they are pushing the buttons but they may or may not understand the result. It is too expensive for our customers to leave any job undone. Therefore it is necessary that we can tackle and fix any issues with the crew we dispatched to the site. We keep investing in our people to keep up with the technology. We have guys that are certified in fiber optics. We have guys that are certified level three mechanics on Northern turbines, etc.

“There are several big players, but they either focus on one or two of these areas, not all three. We think that our unique blend of service and talents will make us a company to be reckoned with in the future.” - Paul Roamer

CEOCFO: What do you see as the direction of renewable energy? It sometimes seems to ebb and flow as far as public interest: what is your take on the current situation?

Mr. Roamer: We are very bullish on the renewable market. Much of the ebb and flow you mention is a result of policy swings...these are not helpful to ensure a sustainable growth industry. Despite this, utility scale wind has passed the tipping point where it is competitive with traditional forms of energy – even without subsidies. Utility scale solar is rapidly becoming competitive as well, and in many cases, is the most cost effective form of energy when compared to traditional peak power prices in the market. The key to renewable economics is to minimize lifetime operational costs – this is achieved via continuous monitoring and proactive maintenance.

CEOCFO: Is it easy to find people to provide the services you want? What do you look for in your workers?

Mr. Roamer: My number one thing is trust. The reason I say that is when a technician is on a tower in a remote site, I cannot be there to police that technician to make sure he is using safety gear. I have to be able to trust that our employees are going to do what we have trained them to do, and I have to be able to trust that he is going to do the right work for the customer at the quality level I expect to deliver to the customer.

CEOCFO: How do you find people?

Mr. Roamer: We have partnered with a couple of local technical colleges. I sit on the board of the Redstone College. They started in avionics and they have moved into wind. We really like their guys - we like the rigor of that program. Same thing with the Ecotech Institute guys. I have hired a bunch of veterans and we are very pleased. The military training and discipline fit our industry very well, especially considering the traveling obligations.

CEOCFO: Do many people take advantage of consulting services at the beginning of the project or are you called in more for troubleshooting these days?

Mr. Roamer: Troubleshooting mainly. However, we see an uptick in requests for services such as End of Warranty inspections, which is a great opportunity to proactively assess a system before something goes wrong.

CEOCFO: What surprised you as the business has grown and developed?

Mr. Roamer: I came out of corporate America and never appreciated the depth of the balance sheet that you need to grow, because you always had corporate dollars behind you when you made decisions. When bootstrapping a business, you can only grow as fast as you can finance it.

CEOCFO: Put it all together for our readers; why pay attention to Ethos Distributed Solutions?

Mr. Roamer: We believe that we are in the nexus of three high growth rate markets and will be able to continue to produce exceedingly high rates of growth and eventually we may become an international player and a big player in this state. There are several big players, but they either focus on one or two of these areas, not all three. We think that our unique blend of service and talents will make us a company to be reckoned with in the future.

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