

Providing Skilled Software Architects, Project Managers and other Professionals, New Resources Consulting is assisting Companies in Implementing, Deploying and Using Technology to make their Company Run more Efficiently

Business Services IT

New Resources Consulting
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Mark Grosskopf
CEO

About New Resources Consulting:

New Resources Consulting provides skilled software architects, project managers and other professionals working alongside your team. We provide creative solutions to demanding challenges whether you need: Expert management consulting, Complete Microsoft solutions, Leading enterprise resource planning (ERP) initiatives, or Custom-designed systems.

Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine

CEOCFO: Mr. Grosskopf, would you tell us about what you do at New Resources?

Mr. Grosskopf: There is a group of six companies. New Resources Consulting is the foundational company. It is an information technology consulting services firm. We assist companies, implement technology, deploy technology and use technology to make their company run more efficiently. Our mission is "to build a continuously growing group of synergistic, yet diversified, companies that deliver bottom line results for our customers"

CEOCFO: Would you tell us about the different companies?

Mr. Grosskopf: Service lines serve the all industries, for example we have an organization called Layer One Media that is a digital agency that provides more of the frontend web services around branding, marketing, search engines and engine optimization, and like types of services. The same thing goes with New Resources Consulting. They are industry agnostic and provide services to businesses in the local regional market. Other organizations such as Inflection Point Solutions, serves the water and wastewater utility market nationwide. We have another software company, ChemWare, based in Raleigh North Carolina and that company provides laboratory information management software to several industries including public health, water utilities and environmental labs. Another company is Clinical Path Consulting, which is a nationwide vertical play assisting hospitals implement EMR technologies. We do more than EMR but EMR is probably 80% of the work we do. Lastly there is a company named Red Arrow Labs, which is a software lab consisting of about forty architects, engineers and designers. These are experienced people that build software for businesses. We build commercial grade products for companies that need custom built software they are unable to find on the shelf and we will support that software for them as if it was bought off the shelf. We create a great deal of mobile software products and specialize in the ability to integrate into the backend systems of our customers. Red Arrow also builds all of our

software for ChemWare and Inflection Point which have product offerings to the market.

CEOCFO: Was your company created by acquisition?

Mr. Grosskopf: I bought a portion of a company that I had worked with for many years. I bought the Milwaukee branch of New Resources back in 2003 and my plan was to grow the firm up and then diversify the firm. So some of the organizations were through acquisitions and some grew organically. Inflection Point was our first and that was a new company launched based on an acquisition of the software product. ChemWare was an acquisition, Layer One Media was an acquisition and Red Arrow Labs and Clinical Path Consulting were organic startup firms.

CEOCFO: On the New Resources Consulting website the word 'trust' is big and prominent. Why is that?

Mr. Grosskopf: In the information technology consulting services space where we sell to regional market, it is a relationship based business and it is somewhat commoditized. We feel the relationship we have with our customer and understanding their business, understanding what they need to get done, standing behind the work that we do and assisting them in building project teams is our differentiator. It is a trusting relationship and trust is the most important thing.

CEOCFO: When you are approaching a new client, how do you get the concept across that you mean what you say and that it makes a difference?

Mr. Grosskopf: If it is a new prospect and they do not have any experience with us, it is through testimonials and talking to other clients we have done work with in the past and understanding who we are, what we are about and the kind of work we do.

CEO CFO: Are there areas where you would like to have a greater presence?

Mr. Grosskopf: It is not as much the new industries although everybody looks at where there is the biggest demand for services or technologies. From my perspective, the next acquisition will be intellectual a property company. That is where my interest lies. I believe there is more value to bring to our customers when we have a product versus just a service. Software companies typically bring a higher to the market.

CEO CFO: How do you find new customers?

Mr. Grosskopf: Each organization in the group of the six companies has their own direct-to-market sales force that is charged with going out to prospect and find new customers. In addition to that, we've built a service bureau within the organization so they all share an inside sales group that does nothing but prospect for new business. They make calls out and prospect and gather data. Those are the primary two methods.

CEO CFO: How do you keep up with the technology that seems to change daily and how do you know where to focus your attention?

Mr. Grosskopf: It is a great amount of information on the web at all times from different sources and it is mainly through that and talking to industry experts and then doing our own research. There is a great deal of education screening analysis that goes on internally in our organization in every different space that we have and ChemWare is an example. The great thing about the business we are in is the exposure we get to all these industries from our customers. We are blessed with the ability to gather in-

formation from lots of sources directly.

CEO CFO: What are the intangibles you look for in your people?

Mr. Grosskopf: It may be cliché but it is certainly integrity in the people we work with and the reputation that they have because obviously a trusting relationship is key for us. Beyond that, it is determination and there are many challenges to be faced every day when we are out there helping our customers. We are typically handed some of the most challenging issues that our customers face and they are looking for us to solve those, so the drive and motivation from an energy level of the people that work in our organization is key to fit into our culture.

CEO CFO: Would you tell us about giving back at the company, which seems to be a core value?

“We have an entrepreneurial organization that has many capabilities to work synergistically with companies that are going to be customers, acquisitions or partners of ours. We are very creative as well as privately held almost so we can be nimble and responsive to whatever need arises.”- Mark Grosskopf

Mr. Grosskopf: You are right it is. We have many individuals within the management team and some not even in the management team that have their own adopted charities and philanthropic board to which they belong, so it is part of our culture and we feel it is important to be involved and give back to our communities. We feel there should be ownership from somebody within our own organization that is a part of whatever charity and we will support that person any way we can monetarily and with time and energy, so it is an important thing.

CEO CFO: What is ahead?

Mr. Grosskopf: We are very much driven by growth. We feel that if you are not growing and changing and incubating well, then pretty much you are on the path downward. Our organic growth rate is still very high in the 25% to 35% range and we look to continue to pursue inorganic growth

as well through acquisitions. We are putting ourselves in a very strong position from a balance sheet perspective so we can look for another acquisition that is a good fit and continue to build our shared services capability. When a new company from the outside bolts in or if we launch a brand-new company they can tap into our marketing services, software development services and recruiting services. The objective for us is to find new ways to grow and keep at least a couple of our organizations in that kind of incubator startup range of not quite getting to this strong growth so that we can incubate new ideas and allow them their own culture, that way there is always a refreshing going on. We look for opportunities where we see a challenge and an opportunity where acquisition prospects face this over and over again and there is no solution for them. We create a solution for them and hopefully there is a

fit. We are rather blessed in the situation where we get to see so many different companies from the inside because we are out there consulting or implementing software or whatever it might be. It puts us in a situation where I think we can find solutions to some of the

challenges they face and create software or a new service or whatever it might be.

CEO CFO: What surprised you most as the business has developed?

Mr. Grosskopf: My belief system is a servant leadership, so I hire great people, serve these people and give them what they need to succeed. The bottom line is the amount of energy they spend and the drive that they have to make the thing grow did not surprise me but it was rewarding to see that it is a symbiotic relationship. If they are served, provided the tools that they need and are allowed to come up with ideas, then we continue to grow. We have grown ten times over in the last nine years. I did not expect that kind of explosive growth so it has been very rewarding and the credit goes to the people we have hired and we work as team members.

CEOCFO: Why should the business and investment community pay attention to New Resources Consulting?

Mr. Grosskopf: We have an entrepreneurial organization that has many capabilities to work synergistically with companies that are going to be customers or partners of ours. We are

very creative as well as privately held almost, all by me, so we can be nimble and responsive to whatever need arises. We are able to make decisions versus potentially a public company or a large partnership board or whatever where decisions might be much more challenges for folks to make.

When I make an acquisition, I pretty much just have to look in the mirror and talk to the bank and figure it out versus try to get through some long process to figure out how we can make that work.



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