

RoadSafe Traffic Systems

Michael S. Catalonello

President and CEO

www.roadsafetraffic.com

RoadSafe Traffic Systems is dedicated to providing the construction industry with the latest technologies in efficient and effective traffic safety and control and pavement marking services and signage for infrastructure projects. RoadSafe Traffic Systems is the country's second largest provider of traffic safety services. RoadSafe operates over 25 branches in strategic locations throughout the East, Midwest, Mountain and Southern regions of the United States, providing a strong national presence with a solid local market capability.

Michael Catalonello joined RoadSafe to a large extent by a chance circumstance. His brother in law is a senior executive with Locton Companies, the world's largest privately owned independent insurance broker and was providing insurance to the private equity firm that was in the process of acquiring RoadSafe. Michael as a former GE Capital executive as President – North America for their GE Capital Modular Space division had managed a large nationally dispersed equipment based company that had similar operations to RoadSafe. His brother in law suggested to the private equity firm Falcon Investments they meet with him. Michael met with Falcon Investments and on October 3, 2007 the acquisition took place and Michael became CEO and President.

Prior to joining GE in 1998, Michael was employed by The McGraw-Hill Companies in Rockefeller Center, Manhattan, holding the position of VP of Sales, North America for F.W. Dodge, construction information services. Although Michael very much enjoyed his role at McGraw Hill and felt it was a great company, he was attracted to GE's reputation at that time as the world's most admired company, and only hiring the best and brightest, it offered him greater career

growth opportunities. GE's culture, under Jack Welch was recognized as a very driven company with great opportunities and innovation that was imbedded into the culture, think big, learn and share best practices, execute and move forward. A high energy culture, it was a highly competitive environment where high performance was expected, recognized and rewarded. Employees at all levels were encouraged to think strategically, innovate and collaborate, it was a tremendous experience!

Another facet of Michael's business career occurred during the late 1980's while working with Tarkett, a Swedish Flooring company that had purchased GAF's flooring business. Tarkett was competing with Armstrong in the Commercial Flooring sector and he had been chartered to grow this business. Michael knew the competitor was very strong, with great products, strong distribution, effective marketing and brand recognition. Recognizing that he was up against a giant, he began addressing this challenge by conducting intense market research and leveraged the McGraw-Hill data bases (F.W. Dodge division), to develop his sales & marketing strategy and segment his market. In 1989, all of Tarkett's commercial sales staff was provided laptop computers to help them improve the speed of market based information and timely expedite the data to develop bid opportunities. Michael extracted specific information from the F.W. Dodge data and disseminated the data to the Tarkett commercial sales team as well as their commercial distributor network. The marketing sales strategy was extremely successful and by leveraging the F.W. Dodge data and refocusing the sales efforts, The Tarkett Commercial Sales team under Michael's leadership was able to increase sales from \$5 million to over \$ 70 million in three years, an incredible growth rate. At the same time, he used the same data for the distribution side of the business and integrated his sales and marketing plan by mining the database

and designating key relationships in the market place between architects, designers and contractors.

This innovative approach and significant market success at Tarkett did not go unnoticed by the new General Manager that was running F.W. Dodge. Tarkett was the second largest client at that time, the G.M visited with Michael to better understand his success. Back in the early '90's the use of laptops and leveraging if construction data was almost non-existent, no company at that time was using the data as innovatively and creatively as Michael was, in driving his sales operations at Tarkett. Michael was invited by F.W. Dodge to speak at their National Sales Meeting to explain his aggressive and creative marketing and sales approach using their data. Michael was reluctant since he did not want to tip off the competition on his methods and competitive advantage. Six months later Michael was contacted by an executive recruiting firm that had a client that wanted to speak to him. It was McGraw Hill and he was invited to participate in their Achievement Club meeting as the Voice of the Customer and describe his success story. Shortly thereafter, he ended up accepting a job offer and joined McGraw Hill.

After GE Capital, Michael joined Reed Elsevier's Reed Business Information Division in the US, the largest B2B publisher in the U.S as SVP & Chief Sales Executive where he implemented new sales process methodologies and a CRM system, as well as, developed a strategic sales team to focus on international sales and large customers across the large subscriber base which covered many sectors. Additionally, Michael was given the opportunity to turn around the recently acquired Reed Construction Data business in Atlanta as their COO.

Coming back to 2007 when Michael joined RoadSafe. RoadSafe was comprised of a number of previously acquired independent businesses under NES and one of many of; Michael's challenge's was to integrate them into one cohesive operation. The fundamentals of the business were strong, his job was to come in and move to a standalone business. Taking on the challenge was not difficult for Michael since he had the combined business knowledge of marketing & sales and finance and had considerable operational experience to provide him with the necessary tools to map the road to success.

When asked to describe his management style, Michael describes it as a participative and collaborative. He likes to ask his staff what they think and likes to create a proactive response and encourages debate. This management style has created a solid team at RoadSafe. Michael looks for highly talented and motivated people with a strong work ethic and provides them the right opportunity by placing them in positions that play to their strengths so they are well positioned to be successful. Michael guides his team along the road to success. He believes in always raising the bar of performance and promoting continuous process improvement and aggressively pursuing growth opportunities. He is relentless in seeking new and innovative approaches for growth, either through strategic alliances or business development efforts. Increasing productivity is the hardest goal, but, at RoadSafe cost of labor and the efficient management of resources are key. Michael's preference is to hire people with varied backgrounds who are flexible and have gained experience in diversified job backgrounds, his goal is to hire great people, give them the necessary tools and enable them to deliver great results.

Michael has a formula: **The Math of Success:**

- Talent
 - Teamwork
 - Innovation
 - Motivation
 - Persistence
 - Accountability
 - Excellence
 - Leadership
- + Investment (Capital/tools) equals **Success**

Michael has had the opportunity to have worked with very talented people which fostered his own professional growth. His advice to a young person coming out of college: Who you work for is more important than the company. You want to work for someone who is smart and demanding, but open to new ideas. In addition, Michael recommends looking for the right environment that will allow you to grow. In starting a career it is as much the opportunity as the person who you are working for, you need to find a good manager that will allow you to grow and make mistakes, don't be afraid to make a decision. Manage your own career; don't let companies do it for you. You have to have a game plan on where and what you want to do. Come up with a *not to do list*, not just a *to do list*. Be productive and stay focused.

A college degree indicates that you have the ability to learn; however, you have to work hard and be committed to be successful. Don't feel entitled to success, you have to earn it. Choose the right opportunity; this is more important than the

money in the short run. The money will come. The right opportunity will allow you to build value through experience that will pay off in the long run.

Your degree may give you an edge coming in the door but if you are not motivated and willing to work hard, it won't matter in the long run.

The vision of RoadSafe is to build the company into the best traffic safety company in the U.S.A... **AND...** aggressively grow RoadSafe over the next three years to a \$200+MM company. This is a realistic goal with Michael as the CEO and President, his leadership skills, hard work, creativity, operational effectiveness, ability to create great teams and marketing/sales savvy will continue to lead RoadSafe forward into a bright future.

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