

David Kosloff, President

Roosevelt Paper Company

www.rooseveltpaper.com

Founded more than 75 years ago in Philadelphia, Pennsylvania, Roosevelt Paper remains a family owned business and has become one of America's largest converters and distributors of printing papers. Roosevelt offers a time-tested combination of selection, service and savings that have made it a prime paper resource for printers and publishers, both large and small, across the nation and abroad.

Today Roosevelt Paper maintains its long-held traditions of standing behind its paper, providing fast, reliable deliveries and pricing that allows its customers a competitive edge. Over the years, the business has transitioned from Irving Kosloff (the Grandfather) to Ted Kosloff (the father) and on to the grandson, David Kosloff. Through each transition, full authority over operations has been given to the new President while the father stayed on board to provide guidance and counsel.

In preparation for his career to come, David's father helped David obtain summer positions with customers starting out working for a one of Roosevelt Paper's customers, Waldman Graphics, now CRW Graphics. The summer prior to joining Roosevelt Paper he worked for Newman Paper Board, a recycling company.

David's father had a strong feeling that he should start out after college working for another company to gain a different perspective. David, however, saw a great opportunity in working at Roosevelt Paper and upon graduating from the University of Pennsylvania in 1990, David joined the family business and began working on Outside Sales reporting to Kurt Wegelius, the Sales Manager in New York. During this time, his grandfather that was 77 years old wanted to have

some influence in developing David to run the business, so after two years David came back to the plant in at that time in Philadelphia to satisfy his grandfather's wishes.

The next phase of his education in the business began in the summer of 1992 when David became an apprentice working under his father in the Purchasing Department - buying paper supply. One very important lesson David learned from his father was during a visit to one of the paper mills. David had been working on a presentation and prepared extensively for the meeting. His father, however, told him that the meeting was about whatever the paper mill wanted it to be and not about his presentation. David never forgot this lesson. In their business they have two customers, the ones they buy from (the mills) and the ones they sell to. David spent about four years in Purchasing. The next step was Sales.

In 1996 David became an apprentice with Eric Conine who at the time was managing the Philadelphia Sales Division. Eric now is responsible for all of the Sales Divisions for the company and is in charge of establishing pricing for everything that Roosevelt Paper sells. David learned what needed to be done and how to achieve the right price based on market conditions and other factors. The trick is to be able to sell the mix of paper we get without leaving money on the table. They purchase paper every day and as a result prices go up and go down almost every day. They purchase paper that the mills can't sell through the normal channels. Approximately 80% of what Roosevelt Paper buys carries a great deal of financial risk since they do not know when, how or where they are going to sell that inventory.

In what was a significant leap for someone at his age, David recalls that he was not fully prepared for his next role in the business; his father assigned him to the position of Sales Manager of the Philadelphia and New Jersey Division. He was thrust into an area where he had a very tenured sales force; the majority of them

had been with the company for over 20 years and along comes David at the age of 30 to manage 20 sales team members. David had very limited managerial experience since he had been focused on the paper business and not on managing people.

The biggest challenge for David was finding the right balance between management and providing the necessary independence and ownership to the sales team for them to do a great job. One of David's strengths is not feeling the need to figure everything out on his own or rush to conclusions. In sales that presented a challenge as his team often needed answers right away. One of David's other strengths is his ability to let people tell him what they want to do, what their goals are and helping them manage to those.

In 2001 David's father decided that he was ready to take over the company. This was the way his grandfather had done it with his father and now his father was doing the same thing with him.

David recalls that growing up his father never really encouraged or pushed him to go into the business; he did not try to sell him on coming into the business and maintained a neutral position. For about several years they drove to work together every day so they enjoyed significant direct communication about the business. Prior to making the announcement, his father spoke to several customers and key staff members about his decision. His father did make it clear from the beginning that the move had to be right for Roosevelt and for David, since he did not want to set David up to fail.

A key element David has taken from his Father regarding managing the company is in the high level of ownership he gives people in the company. David allows his management to be very independent, responsible and accountable. His management style is open and direct and seeks to get everyone's perspective in the decision making process.

David tries to find the right balance with his management style because if you have this open communication there has to be rules and a certain sense of decorum. He believes that staff should not be afraid to speak out. Nine times out of ten, direct communication is the way to go. David pays a lot of attention to his team and knows when there is something wrong. When he has to address one of his managers he always starts out with several positives before addressing the issue in a successful way. The way David manages is with a high degree of consistency in everything he does. He leads by example. He stays very close to his team by visiting them in their office every day even if it is to check in on their morale or to have a friendly conversation.

David has many challenges that he is facing in the future as overall the paper and printing industries are declining while paper mills are closing in great numbers particularly in the past ten years. David's philosophy is that you can either quit and go home or do the best you can do with the cards you have. They have a strategic meeting twice a year to discuss the future and how to manage the changing environment in which they operate. The risk of doing something else and giving up on what has been invested in for so long is not appealing to him or the leadership team. They are striving to be the best they can in their business. He is a gradualist in everything he does.

When asked what advice he would give young people out of college, David feels that a MBA program can be beneficial to many, but it is not for everyone as learning on the job can at times be as advantageous. They are putting themselves in a good position. The opposite of this and the extreme is an example that David gives of one of their competitors. This competitor will not hire a college graduate since he feels that they are much harder to train and their financial expectations are higher. He feels that from a hunger factor that college did not do the right thing for them; they have all of this education and feel that they need to use it and do things based on what they learned in College. This competitor's

approach is that he tells them that until they met him they knew nothing so he molds them and trains them and he ends up with some very dedicated people. Success can be had in both environments.

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