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EDITOR’S LETTER

*Cape Not Included

HERE IS A SAYING ONE encounters on social media and in self-help circles: Not all superheroes wear a cape. It’s a useful reminder that everyday life is filled with people who do extraordinary things and truly make a difference.

And here is the best news: You are one of them. To make the Inc. 5000 list of America’s fastest-growing private companies is an extraordinary accomplishment. That has been true for the 11 years that Inc. has been compiling the list, but it is especially true this year.

The stories in this yearbook spotlight some truly heroic companies and entrepreneurs. Take, for example, Blake Mycoskie, the founder of Toms. He was a trailblazer for the model of giving away a pair of shoes to needy children for every pair sold. This alone was heroic, and tens of millions of children were helped this way. Even so, some critics pointed to deeper issues of poverty, and Mycoskie himself recognized that there were more effective ways to create sustainable systems for the world’s poor.

And so, as Inc. editor-at-large Leigh Buchanan explains on page 8, Mycoskie took some time away, met with countless experts, sold part of his company, and came back with a new set of cutting-edge methods to combat global poverty. And all the while, Toms has maintained a profitable business that inspires its workers every day.

Mycoskie’s model isn’t necessarily right for every business, of course. But like Mycoskie, you fight to adapt to ever-changing business circumstances. You sacrifice your labor and your time and you have to make tough decisions to keep up the growth. All along the way, you have added to the economy and created, collectively, tens of thousands of jobs.

To us at Inc., that looks pretty darn heroic.
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The Power of an Invested Workforce

Employee ownership makes Torch Technologies’ entire workforce invested in its success

WHEN BILL ROARK AND DON HOLDER launched Torch Technologies in 2002, they knew designing the business as a 100 percent employee-owned company would be critical to its success. But it would have been hard—or at least bold—to predict the type of growth numbers the company has achieved year after year.

Torch Technologies provides research, development, and high-end engineering solutions and support to the federal government and U.S. Department of Defense. Its long list of awards includes recognitions for its culture, performance, and role as a technology leader. Roark believes these achievements are linked to Torch Technologies’ company structure. Employees are invested, literally, in the success of the company, which creates a culture of collaboration. “We have a can-do, cooperative environment in which divisions of the company work together,” he explains.

The employee stock ownership plan (ESOP) incentivizes exceptional employee performance and, in turn, client satisfaction. “When we win a contract, our team often performs so well that we can grow that contract in a way that allows us to enter an adjacent market,” says John Watson, Torch Technologies’ president and board member.

The second defining component of its culture is charitable giving. On its 15th anniversary in September 2017, the business awarded 15 $15,000 grants to nonprofit organizations. Torch Helps, a charitable organization funded and governed by Torch employees, bestowed another four, and Torch’s sister company, Freedom Real Estate & Capital, LLC, awarded an additional $15,000 grant, for a total of $300,000 in donations. Roark and Watson are proud that giving back is engrained in the company’s ethos. They are also proud that their work supports the nation’s armed forces, as well as their hometown of Huntsville, Alabama. Torch Technologies operates from 14 locations, including Cairo, Egypt, but it continues to expand at home, too. It occupies 94,000 square feet in Huntsville, and its growth has helped to revitalize areas of the city.

Like many government contractors, Torch Technologies has had to navigate cash flow challenges. Early on, payment typically took 90 to 120 days from completion of a project. The business also needs to be prepared to pay out ESOP balances as employees retire. Watson says that at times it has also been hard to update infrastructure quickly enough to support the company’s upward trajectory. But because of the work of its dedicated team, Torch Technologies has managed to meet each challenge and to grow so much that it is on the brink of exiting small business territory. “In our space, once you cross the 1,250-employee mark, you are a large company. Then you are competing with the big boys,” explains Roark.

As such, he and the team are focused on areas where they have the best ability to compete with larger players, namely the solutions space. “We aren’t just working for our families. We are working for our employees’ families, too,” notes Watson.

Roark agrees. “I often tell employees, ‘I am glad I get the opportunity to work for you.’ They might not be running into my office telling me what to do, but they are the shareholders. They are the reason we are here,” he says.
The son of nomadic sheep farmers from the Turkish mountains, Hamdi Ulukaya was an improbable candidate to upend the ruthlessly competitive global dairy industry. After arriving in the U.S. in 1994 to study business and English, he settled in upstate New York—and in 2005 saw a classified ad for an abandoned yogurt-making facility.

Two years later, he launched Chobani, which today is an estimated $1.5 billion company and the top-selling brand of Greek yogurt in the country. The company, which also operates the world’s largest yogurt facility, in Twin Falls, Idaho, pays workers, on average, twice the federal minimum wage and gives a portion of its profits to charitable causes.

When Kraft’s plant shut down in South Edmeston, New York, in 2005, it was the latest of many closings. The feeling of its former employees there was “These large companies gave up on us.” It was like being in a cemetery. Here I show up with a little knowledge, and an accent that was a lot worse than what it is now. I try to tell the former employees: We can start something! I couldn’t promise security, or that the factory would really come back. It was me and five factory workers, and the odds were highly against us.

In two years, we were making yogurt. I wasn’t as confident as I am now, and I would get shaken up talking to 40 employees. In our third year—2010—I decided to hire another CEO, because I thought I wasn’t going to be able to do this. One executive had run some big companies and had a nice suit and a spiffy ride, and he really wanted the job. We met in a diner, and the way he interacted with the waitress was so rude. This is what I grew up hating: people who think they’re better than everybody else. In that moment, I knew I wasn’t looking for a CEO.

For hiring, supplies, and even contractors, my number one law from
the beginning was that we do not go outside of this community [the Chenango and Otsego counties region]. But as the company grew, the circle of our “community” broadened to the Utica area for hiring. Refugees have been settling in Utica for decades. Some are from Africa, some are from Asia, some from Eastern Europe. They want to work, and they have the right to work. There are obstacles: language, training, and transportation. We figured it out.

Then one morning in 2014, I saw a photograph on the front page of The New York Times. It was a flow of people from the Yazidi community going toward the Sinjar Mountains in Iraq. One woman had one child on her back and another child holding her hand, and that child had some of the house remainings, which she clung to. The image of that woman was very familiar—I grew up in Turkey. But her eyes had an empty look. The look of walking toward the end, questioning: “Is there anyone that’s going to help? Are we all alone in this?”

That morning, I started reaching out to a few people, including the United Nations Refugee Agency and the International Rescue Committee. This is one of the most critical human crises that we’ve faced since World War II. It needs to be solved. There was also an extremely poisoned political environment that hit at the most vulnerable people in the world, the 22 million refugees. The more I dug in, the more I realized that one of the most essential things was to bring the business community into this issue—and go above politics.

My next startup was the Tent Foundation. We created this environment that is outside of the political landscape to meet humanitarian needs. I found alliances with companies, like Mastercard, Airbnb, and Johnson & Johnson, and then that grew. Today, we have some 80 companies that are publicly announcing their efforts to help solve the issue of refugees.

From the beginning, my goal at Chobani was not to build just a product—but to build a culture. To build tomorrow’s company. I had the idea back in 2008 to share the company, 10 percent of its value, with the employees. I come from a background of farming, and I’ve always been angry about how ordinary working people are not recognized for their contributions. But we built this together! In front of my own eyes, I saw people sacrifice their holidays, sacrifice their family time, sacrifice sleep. I saw heroes. Taking all of that credit would not be fair.

I had 2,000 employees in 2016 when I announced that we were going to give them shares in the company. It was a beautiful day. And the company is different because of it. The staff was always proud, but this ownership piece was missing. This is probably one of the smartest, most tactical things you can do for a company. You’re faster, you’re more passionate. Your people are happier.

After my first son was born, I just couldn’t believe that a lot of people go back to work the day after they have had a child. It’s inhumane. Ninety percent of manufacturers in the U.S. do not have parental leave. It’s shameful. If I’m a first-time dad or the mother and I go back the next day, my heart is not there. It’s better for that person to stay home and have that magical moment with the baby and cherish that role. Starting in 2017, Chobani began a six-week parental leave [for parents of all persuasions, including adoptive parents]. I said jokingly, “Let’s go make some babies.” I had just had my second son.

If you want to build a company that truly welcomes people—including refugees—one thing you have to do is throw out this notion of “cheap labor.” That’s really awful. They’re not a different group of people, they’re not Africans or Asians or Nepalis. They’re each just another team member. Let people be themselves, and if you have a cultural environment that welcomes everyone for who they are, it just works.

“This was not about politics. The minute they got the job, that’s the minute they stopped being refugees.”

At Chobani today, 30 percent of our employees are immigrants or refugees. More than 20 languages are spoken at our plants. This was not about politics; this wasn’t my refugee work. This was about hiring from our community. Refugees are dying to provide for their community. I always said that the minute they got the job, that’s the minute they stopped being refugees. It’s been proved to me that this was a plus to the culture.

I never thought I would lead a company of more than 2,000—or that one day I would be called a leader. I grew up with shepherds. I watched my mom and my dad be leaders in their community. Among sheep farms up in the mountains, what is respected most is people’s values. You provide, you protect. The number one thing for me is I’m always there, shoulder to shoulder, on the frontline, on the factory floor, or on the road. We are together.
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SHOULD YOU FIND YOURSELF in a meeting with Justin Jackson, don’t be surprised if he introduces himself as a senior technician rather than CEO of Advanced Computer Solutions Group (ACSG), a technology solutions company providing end-to-end IT products and services that help its customers work faster, smarter, and securely. Jackson is certainly a visionary leader, but he also takes pride in his technical prowess, describing himself as “a nerd at heart.”

Jackson founded ACSG in 2009 as a placeholder for the intellectual patents he was developing while working full-time for another company. In 2014, he went all in on transforming the business into the robust technology solutions provider it is today. With the help of his team, he quadrupled the company’s revenue in just three years. He describes this growth as deliberate and organic. To this day, ACSG does not employ a dedicated sales team. It grows through referrals and by retaining and deepening relationships with existing customers.

“We see ourselves as a customer service business first and a technology solutions provider second,” explains Jackson. This client-centric approach contributes to ACSG’s 96 percent client retention rate, as well as its foray into new locations and verticals. ACSG started off supporting businesses in its hometown of Mount Laurel, New Jersey. Today, it wins national contracts. Recently, the company wrapped up a massive IT project for a major corporation that spanned 200 locations nationwide, including Hawaii. This success is helping ACSG land more commercial projects.

Jackson is humble, but his team is quick to credit his management style and deep technical skill set for the business’s growth. He is in tune with the market and understands the type of skills he needs to cultivate and recruit to stay most relevant. To keep employees engaged and challenged, ACSG emphasizes cross-training, encouraging people to learn as much as possible about different areas. “If someone is strong on the server side, we might get them involved with the firewall and integration team so they have more tools in their toolbox,” explains Jackson. Employees appreciate this, as well as the company’s family-like atmosphere, as evidenced by ACSG’s employee retention rate of 95 percent.

Since Jackson knows how long it takes to perform tasks, he can create realistic timelines and staff projects efficiently, which keeps employees and customers happy. Prospects recognize his expertise, too. It bodes well when the CEO himself can troubleshoot an unforeseen technical difficulty—something Jackson has done while pitching new business. “Some IT companies take a top-down approach. The leaders don’t even know how to put in a firewall. In a field as complicated and ever-changing as technology, it is beneficial to have a managerial team with strong technical skills,” he says.

It is important to Jackson that his team sees him “doing the work,” but he knows they are looking to him for more than that. He is confident the company will continue to achieve its growth goals because it will not deviate from its core focus—exceptional customer service and cutting-edge technology solutions.
lake Mycoskie is the most relaxed intense person you will ever meet. Two days after this year’s Academy Awards, Mycoskie sits in his world-bazaar-flavored office, one leg hooked over the arm of a chair, sipping sparkling water and munching almonds from Whole Foods. At the ceremonies, his company, the virtuous shoe business Toms, took home what amounts to the statue for Best Publicity. During the broadcast, AT&T debuted an ad extolling Toms’ growth and ethos of giving. And Abraham Attah—the 15-year-old co-star of Beasts of No Nation—turned up for his presenter’s gig shod in a pair of the company’s signature alpargata slip-ons, made specially for him from embroidered black velvet.

As Attah explained to red-carpet interviewer Ryan Seacrest—another Toms admirer—the business won him over by promising to donate 10,000 pairs of shoes to his native Ghana. It was a one-off escalation of Toms’ famous one-for-one model: Every time a consumer buys one of its products, the company donates a related product or service to someone in need. (In Toms-talk, such donations are “gives.”) Toms sealed the deal with Attah four days before the Oscars in a last-minute scramble. At the time, Mycoskie was incomunicado at the Hoffman Institute, a personal-transformation retreat. Right before that, he’d been in Colombia, delivering shoes to poor children.

“I come back,” says Mycoskie, “and I feel like I need to prove myself.”

In the 10 years since he founded the Los Angeles-based Toms—whose 2015 revenue for the 12 months was estimated by Moody’s to be $392 million—Mycoskie has accumulated enough karmic capital to disappear for a week or two in pursuit of spiritual healing. His for-profit company has brightened more than 51 million lives with new shoes, restored vision, clean water, and safe births. Whoever writes the four-decade history of for-profit social ventures will devote a chapter to Toms’ pioneering business model.

Yet Toms has been attacked for the unintended consequences of its good works and questioned, sometimes harshly, about the effectiveness of its giving model. At the same time, its message—although never its mission—briefly drifted.

Given that challenge, Mycoskie may have been wise to prioritize Hoffman over recruiting a celebrity for the Oscars. Although no longer CEO, he is still the company’s public face, chief idea generator, and animating spirit. At Hoffman, Mycoskie says, he recognized a vicious cycle. “I work so hard and I am so maniacally focused on accomplishing something that I shut out other things in my life,” he says. “Then I get burned out and I do something like go to Fiji for a month of surfing. And then I feel guilty because I actually do love Toms. So I come back and I feel like I need to prove myself. I have to launch the new product and have the new silver bullet. And the whole pattern starts again.”

Even unconventional companies suffer conventional-company ills. A private equity firm now owns 50 percent of the company; a new CEO is

CONTINUED ON PAGE 10
THE FUTURE IN HAND
Blake Mycoskie, surrounded by the next generation of Toms shoes, at his company’s headquarters in Playa Vista, California.
Part of Toms’ pivot is to promote things, like health, that enable self-sufficiency. For example, Toms sells sunglasses and glasses frames, but in poor regions, instead of distributing those products, the company provides eye exams and medical care. Such donations make up less than 10 percent of Toms’ business. The rest is still shoes. Toms says both independent and its own research demonstrate that shoe distribution prevents diseases, like hookworm. But the company also works with its partners to apply the shoes to broader goals. To cite one example, giving partners are testing the shoes as an incentive for women to bring children to clinics for vaccinations, and to participate in microfinance programs aimed at encouraging entrepreneurship.

Being an inspiration is gratifying. Being a catalyst is satisfying. Toms Social Entrepreneurship Fund lets Mycoskie keep trying out new ways to improve lives. The fund invests in young businesses “that feel really Toms-y,” says Jake Strom, who runs it. That doesn’t mean one-for-one necessarily, but rather “businesses that are run entrepreneurially and where the giving is woven in,” he says.

Oakland, California-based Back to the Roots is one portfolio company that does have a one-for-one handle. Buy one of its home-growing kits (mushrooms, herbs) or organic breakfast foods and the business will donate a product to a classroom of your choice. Co-founders Nikhil Arora and Alejandro Velez consult with the Toms team, and study its playbook to inspire campus evangelists and engage customers with their packaging. “A big focus for us is tapping into every customer so that they are not just buying the product but into the whole mission,” says Arora. “No one does that better than Toms.”

Partners

Mycoskie, seen here in October 2013, on a farm in the Shyara Mountain region of Rwanda, where Toms sources coffee beans for one of its many social-mission ventures.
Sustainable Growth Equals Strategic Planning

Balancing immediate business goals and long-term strategic planning drives this supply chain integration and technology solutions company’s success.

THE TEAM AT SUPPLYCORE is not one to rest on its laurels. Key to its success has been its ability to manage short-term goals and gains while also looking toward the future. To do so, Peter Provenzano, president and CEO of SupplyCore, led the development of a web-based strategy planning and execution software, MPOWR Envision. Next year, the company will go to market with the tool, allowing other organizations and communities to leverage the planning system that has been so integral to SupplyCore's growth and resilience.

SupplyCore, an award-winning Small Business U.S. Defense contractor, was founded by Provenzano’s father in 1987 as a distributor of mechanical components to the aerospace and defense industries. In the late 1990s, it evolved into a supply chain and technology integrator responsible for optimizing information, material, and financial flows for the U.S. military and its allies in times of peace and crisis. This transformation helped SupplyCore land a spot on the Inc. 500 for five consecutive years from 2000 to 2004.

But growth hasn’t always been an upward trajectory. Around 2005, there was a lull in federal contracting that made it challenging for SupplyCore to maintain its expansion pace. “We had to focus on identifying new ways to achieve scale and sustainability,” Provenzano says. “That is where MPOWR Envision comes in.”

Around this time, SupplyCore acquired MPOWR, a market-leading, web-based case management and agency collaboration tool. MPOWR allowed SupplyCore to expand its offerings and reach a new customer base. Now, years later, SupplyCore is adding to MPOWR’s offerings with Envision, a solution influenced by Provenzano’s experience participating in a peer group for Inc. 5000 companies. The group's discussions inspired him to develop a planning framework that facilitates collaborative strategy development and execution.

Provenzano notes that business leaders and teams need to be able to balance “looking through the windshield at what’s on the hood with what’s down the road,” and to dedicate resources to both. For example, SupplyCore strives to delight its customers right now, but it also tries to anticipate their future needs and develop ways to cater to those.

Provenzano believes the business’s consistent strategy work has been a key growth driver. Using MPOWR Envision, Provenzano and his team map and manage short- and long-term plans. Team members—the people actually executing the vision—log in to provide updates on how the plan is unfolding. “This ability to receive real-time input on strategy execution without having a lot of meetings has been transformational for us,” he says. It has also given Provenzano breathing room to focus on the long-term view.

SupplyCore’s collaborative approach to business strategy aligns with its results-oriented, transparent culture. Employees feel empowered and invested in the plan—a plan they helped to create—and of course, Provenzano benefits from the input of his team.

“MPOWR Envision has been key to our success and to our ability to look forward,” Provenzano says. “We can’t wait to bring it to market in 2019, so other organizations can benefit from strategy execution.”
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Sanjeev Singh, founder and CEO of Zenwork, says the company’s mission was inspired by his own challenges running a technology consulting company. Singh wanted to focus on maximizing revenue, but he was bogged down by compliance and tax-related tasks. He knew other business owners wrestled with similar pain points. So, in 2011, he set out to develop an automated, streamlined digital tax and compliance solution that could cater to all business types.

The first challenge was building a digital tax compliance and regulatory reporting tool. The second was scaling. “We took a two-fold, go-to-market approach,” Singh explains. “In addition to using traditional marketing to reach customers directly, we sought partnerships with industry leaders in our domain that could benefit from integrating our solutions. After we signed up a big industry partner in 2015, we grew by almost 500 percent the next year.”

Zenwork replicated the success by partnering with other companies in the space, including Intuit, Bill.com, and Xero. Meanwhile, the company furthered its direct-to-user strategy by creating a high-value product that automated painstaking manual data-entry processes, saving users time and headaches. Singh says the company has always been quick to adopt new technologies and features as long as they are for the betterment of the end user. In the beginning, the team met with prospects in person to understand their challenges and needs. Then it created custom prototypes to demonstrate how the platform could be updated based on the input. “Very early on, we realized customer feedback is paramount to our success,” explains Singh. “By listening to customers, we make sure to always be where we are most needed.”

Today, Zenwork clients continue to influence the evolution of its solutions. Singh credits recent growth in part to the introduction of its outsourced information return solution, eFile Assist, and the rapid adoption of its most popular cloud-based platform, Tax1099. In 2018, Zenwork will expand its existing software platform. The goal is to be a part of every business’s compliance process. The company will also introduce new productivity tools, which Singh says will usher in the next phase of growth. He is confident there is a market for these solutions.

Singh’s biggest challenge will be finding the right talent, particularly in the areas of sales, marketing, and operations. But the entrepreneur isn’t one to back down from a challenge. He started Zenwork to address defined pain points, and his favorite part of running a business is still working with his team to find solutions. Zenwork’s next iteration of compliance products will also do just that—solve problems by addressing the real challenges plaguing businesses, using the right combination of automation and human touch.

And, sometimes, such a focus on quality has other benefits: Zenwork is increasingly fielding inbound leads from prospects attracted to its innovative technology and results-driven team.
The New York Bakery That Hires Everyone, No Questions Asked

Greyston Bakery’s delicious cookies and brownies are helping fuel its ambitious mission to create jobs and eradicate homelessness. BY LEIGH BUCHANAN

Business leaders study market research. Bernie Glassman “bears witness.” In the ’80s and ’90s, Glassman, the founder of Greyston Bakery, lived for a week at a time among the homeless on the streets of Yonkers, New York. There, he experienced firsthand the suffering that his company was formed to ease.

“The people we were serving were my teachers,” says Glassman. “Dignity and love are big words that we sometimes take for granted. When you are on the street you don’t have any of that. And it hurts.”

Glassman is a champion for the city of Yonkers, which in the 1980s was plagued by dismaying rates of poverty, unemployment, and AIDS. His weapon wasn’t politics, but brownies.

Greyston, a $12 million company with 130 employees, makes brownies and cookies for wholesale and retail distribution. Its largest client is Ben & Jerry’s, which accounts for more than half of revenues. The business is best known for its open-hiring policy, which accepts people off the streets, no questions asked. And yet, “I didn’t start it to create jobs,” says Glassman. “I started it to end homelessness. That meant to me having homes, having child care, and creating jobs, simultaneously.”

So Glassman designed the bakery as the for-profit, job-creating arm of a larger nonprofit entity that, among other accomplishments, provides affordable housing to 530 Yonkers residents—35 percent of them formerly homeless—and cares for 130 children. Greyston supplies housing and support for 50 people with HIV/AIDS. It operates six community gardens.

“The impact over 30 years has been immense,” current Yonkers mayor Mike Spano says in an email. “The company is very important to improving the local workforce through training and providing first jobs.”

Spano recently supported funding for capital improvements to the bakery in the interests of hiring more people and for a project to extend its workforce initiative upstate. “The Greyston policy of open hiring,” Spano says, “should be a state model.”

Glassman’s Jewish, socialist family stoked his early zeal to root out the causes of suffering. Raised in Brooklyn, New York, he moved to Los Angeles in 1960 to work for McDonnell Douglas and began studying and teaching Zen Buddhism. For years, he led parallel lives as an aerospace engineer working on interplanetary flight and a spiritual instructor. In 1980, he returned to New York to do something big.

Years before the phrase “social venture” entered the lexicon, Glassman conceived an enterprise that would integrate business, social action, and spirituality. He settled on a bakery because it was relatively simple work that could be done by unskilled people hired from the streets. A ma-and-pa affair would not do, though. The business needed sufficient heft to make a dent in the poverty of Yonkers.

Before launching Greyston, Glassman had founded a Zen community, which occupied an elegant home in New York’s affluent Riverdale neighborhood. He sold that building and used the money to buy an industrial facility in Yonkers and a house nearby. About 30 community members moved to the new location, although “many were too afraid to come,” says Glassman. “The block that the bakery was on was loaded with crack vials. Next door to us was an all-night brothel.”

In the early years, Greyston’s major source of capital was donations and loans
from the Zen community. “At that time, many people still looked at Zen as a cult, so it was not easy—probably impossible—to get money from a bank or venture capital,” Glassman says.

Greyston launched in 1982 as a wholesale bakery and café. (Glassman closed the café when the bakery proved a more promising venture.) At first, the business produced gourmet cakes. But the training required for that limited how many unskilled workers Greyston could absorb.

Things changed in 1987, when Glassman attended the inaugural meeting of the Social Venture Network, an organization of CEOs, investors, and other early advocates for the double bottom line. There, Glassman met Ben Cohen and Jerry Greenfield, who had launched their eponymous ice cream brand nine years earlier. “We walked around and talked about possible ways that we could do something together,” says Glassman.

That “something” turned out to be brownies, the toothsome morsels that stud Ben & Jerry’s flavors like Half Baked and Chocolate Fudge Brownie. But scaling up to deliver 2,000 pounds of pastry a day from what was previously a small fraction of that was harrowing. Glassman struggled at first to product development and growth. Ben & Jerry’s agreed to switch from a three-month to a one-month payment schedule. Even so, the process was slow and incremental. By that time, Glassman was able to get loans, but his bankers were not sympathetic. “They said, ‘You’ve got to stop fooling around with Ben & Jerry’s and go back to cakes,’” he says. “And I said, ‘I am not going to do that. Because Ben & Jerry will allow us to hire many, many more people.’ We baked brownies to hire people.”

Greyston introduced open hiring in 1985, the first year it could afford to employ people from outside the Zen community. As Glassman explained it, “Anybody that wanted a job could come around, and if we have an opening we’ll hire you. If we don’t, we’ll put your name on a list. And when an opening occurs, we will call you.” Criminal records, immigration status, lack of work experience: none of that mattered. Word spread through local churches and community groups.

“Anybody that wanted a job could come around, and if we have an opening we'll hire you.”

Greyston also created processes to support its new hires. Employees serve an apprenticeship (originally one year, now 10 months), during which they gain not just bakery skills but also personal ones, such as financial literacy. Each worker is assigned to a team, and teams that exceed quota receive bonuses. As a result, “If a new guy or a woman comes into the team, it’s in the team’s interest to train that person,” says Glassman.

“Zen is about having this experience of interconnectedness of life,” says Glassman. “Most of the folks we hired didn’t care about Zen. But as soon as they came onto that team, all of a sudden the interconnectedness of that team becomes a reality. Because that’s how they make money, or they are going to get kicked out.”

At first, Greyston tried hiring the homeless, but their lives proved too unstable. But if Greyston couldn’t hire the homeless, it could hammer away at homelessness. Glassman recognized that trying to save a community by creating jobs alone is like trying to erect a building on a foundation without footings or floors. Bakery workers also would need help with housing, with child care, with addiction issues. Through its nonprofit foundation—supported by government grants and private donations, as well as by bakery profits—Greyston launched a multifaceted program of community development in southwest Yonkers: affordable housing, a child-care center, community gardens, and a medical center for people with HIV/AIDS.

“... Mike Brady doesn’t sound like a guy looking over his shoulder. Since he joined the business in 2012—first as president of the bakery and now as president and CEO of both the for-profit and nonprofit sides—revenues are up 50 percent, and Greyston has grown in sophistication.

Because more brownies sold equals more people employed, Greyston has expanded beyond Ben & Jerry’s into Whole Foods, where it markets its own branded brownies and cookies. (The company produces close to five million pounds of brownies a year.) Online and corporate gift sales also are growing. “We are seeing what we hope is a tipping point around consumers buying products based on their own values,” Brady says. “We want to be a leading brand in products with purpose.”

Employees are welcome to stay at the bakery as long as they want. But to create more openings in the company, Greyston must also create more paths out of it. Toward that end, it is developing partnerships with other local businesses that are not ready for open hiring themselves, but will employ veterans of Greyston’s open hiring after they have had some work experience and training in areas like customer service. “We are saying, ‘These folks are really reliable workers. They are going to be great for you. And if you have a job for them, you should take them,’” Brady says.
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Reimagining the Supply Chain

Smart acquisitions fueled tremendous growth for Visible Supply Chain Management, Utah’s number one transportation and logistics company.

IN THE AMAZON PRIME ERA, customers expect to receive their orders within two to three days with 100 percent accuracy. But if you are not a corporate behemoth, it can be hard to find ways to stick to that timeline without breaking the bottom line or increasing customer costs. Visible Supply Chain Management solves this challenge—and many others—for businesses.

Jared Starling, CEO of Visible Supply Chain Management, explains that many of its customers are U.S.-based e-commerce enterprises. Visible helps them develop custom strategies for fulfillment, packaging, warehousing, and shipping with all major carriers. Because of its relationships and buying power, it can negotiate better shipping rates with carriers than businesses would get on their own. It drives further cost-savings by helping companies in a variety of ways, including choosing the right shipping partner for their needs, developing multi-carrier approaches when advisable, using dimensional (DIM) weight rather than gross weight, when possible, and strategically redesigning packaging.

Technology ties it all together. Visible has a proprietary system that allows customers to track every aspect of their supply chain at any time, from warehouse inventory levels, to the whereabouts of a supply shipment or customer package, to the exact time an item was packed. It is this transparent approach that inspired the moniker, Visible.

In the last three years, a series of smart acquisitions and a seasoned leadership team have fueled near-unbelievable growth. The company grew from 120 employees and $33 million annual revenue in 2014 to 700 employees and $248 million annual revenue in 2017. “Our first 22 years in business, we grew consistently, at a typical pace. These last five years were marked by hypergrowth, and now we are a one-stop shop for supply chain needs,” explains Starling.

Admittedly, navigating growth of this magnitude can prove challenging. Starling says it was imperative that the company’s foundation was strong enough to build upon, and that the team continues to draw on the “homegrown” roots and guidelines that have steered the business since it started in 1992 as a single warehouse called Pro Star Fulfillment. From there, it grew to include additional entities: Parcel Partners, Pro Star Logistics, ABS Packaging, PS Parcel, ABS Packaging, and IntegraCore.

The company announced its new name in 2017, and it took care with the rebrand. The businesses it acquired had brand equity, so to preserve that, Visible invested in customer education and rolled out changes to websites, marketing collateral, and logos gradually. “We needed to communicate that we have created a new model within supply chain—one that has never been held by another company—while assuring existing customers that all that they currently value about our business will stay intact,” explains Starling.

The transition from a small to midsized company can come with growing pains, but the Visible team is ready for the next stage. E-commerce giants like Amazon, Walmart, and Etsy have raised the bar, and retail companies need strategic partners to stay competitive in today’s landscape. Visible is making a new name for itself as a supply chain partner powerhouse by offering businesses everything they need to deliver on customer expectations, as efficiently and transparently as possible.
It was late 2011 at the Seattle office of Gravity Payments. Jason Haley was a 32-year-old phone tech earning about $35,000 a year, and he was in a sour mood. CEO Dan Price had noticed it, and when he spotted Haley outside on a smoking break, he approached. “Seems like something’s bothering you,” he said. “What’s on your mind?” “You’re ripping me off,” Haley told him. Price was taken aback. Haley is shy, not prone to outbursts. “Your pay is based on market rates,” Price said. “If you have different data, please let me know. I have no intention of ripping you off.” The data doesn’t matter, Haley responded: “I know your intentions are bad. You brag about how financially disciplined you are, but that just translates into me not making enough money to lead a decent life.”

Price walked away, shocked and hurt. For three days, he groused about the encounter to family and friends. “I felt horrible,” he says. “Like a victim.” He realized Haley was right—not only about being underpaid, but also about Price’s intentions. “I was so scarred by the recession that I was proactively, and proudly, hurting my staff,” he says. Thus began Price’s transformation from classic entrepreneur to crusader against income inequality, set on fundamentally changing the way America does business. For three years after his face-off with Haley, Price handed out 20 percent annual raises. Profit growth continued to substantially outpace wage growth. This spring, he spent two weeks running the numbers and battling insomnia before making a dramatic announcement to his 120-member staff on April 13, inviting NBC News and The New York Times to cover it: Over the next three years, he phased in a minimum wage of $70,000 at Gravity and immediately cut his own salary from $1.1 million to $70,000 to help fund it.
The reaction was tsunamiic, with 500 million interactions on social media and NBC’s video becoming the most shared in network history. Gravity was flooded with stories from ecstatic workers elsewhere who suddenly got raises from converted bosses who tossed them out like Scrooge after his epiphany—even, in one case, at an apparel factory in Vietnam. Price was cheered at the Aspen Ideas Festival and got an offer from The Apprentice reality-show impresario Mark Burnett to be the new Donald Trump on a show called Billion Dollar Startup. Gravity was inundated with résumés—4,500 in the first week alone—including one from a high-powered 52-year-old Yahoo executive named Tammi Kroll, who was so inspired by Price that she quit her job and in September went to work for Gravity at what she insisted would be an 80 to 85 percent pay cut. “I spent many years chasing the money,” she says. “Now I’m looking for something fun and meaningful.”

Price had not only struck a nerve; he had also turbocharged a debate now raging across the American landscape, from presidential forums to barrooms to fast-food restaurants. How much—indeed, how little—should workers be paid? While financiers and C-suite honchos have showered themselves in compensation, most Americans haven’t had a raise, in real dollars, since 2000. Especially in the wake of the recession, entrepreneurs and corporate bosses have tightly controlled costs, including wages. That boosts profits — and bonuses. But at what cost? In a U.S. economy that is more than two-thirds consumer spending, GDP growth is chained to income growth. Workers can’t spend what they don’t have, nor do they have the home equity to borrow and spend. Weak wage growth helps explain why this long economic expansion has been so tepid.

Being comfortable wasn’t a goal in Price’s family when he was growing up in rural southwest Idaho, near Nampa. He and his five siblings took turns waking at 5 a.m. to make breakfast before Bible readings and prayers led by their Evangelical Christian parents. On his own, Price spent hours reading Scripture and reached the finals of a national Bible-memORIZATION competition in the fifth and sixth grades. Like his siblings, he was homeschooled until age 12. That’s when he rebelled a bit, dying his hair with red and blue streaks and painting his nails like the punk rockers he listened to.

Price learned to play bass guitar and formed a Christian rock trio called Straightforward (spelling intentional), which was successful enough to tour and get national airplay. At 16, when the band broke up, he decided to help the struggling owners of bars and coffee shops where they had played by negotiating cheaper rates from the credit card processing companies, which offered little more than exorbitant prices and spotty service.

Though fluent with computers, his real skill was negotiating—cobbling together deals with the myriad firms involved in making a single credit card swipe go through smoothly. While continuing to serve his Idaho customers, he found enough new ones in Seattle to start Gravity Payments with his brother Lucas, five-and-a-half years older, and already a college graduate.

The 20 percent raises Price implemented in 2012 were supposed to be a one-time deal. Then something strange happened: Profits rose just as much as the previous year, fueled by a surprising productivity jump—of 30 to 40 percent. He figured it was a fluke, but he piled on 20 percent raises again the following year. Again, profits rose by a like amount. Baffled, he did the same in 2014 and profits continued to rise, though not quite as much as before, because Gravity had to do more hiring.

By any measure, Gravity was doing relatively well. Revenue hit $150 million in 2014 and was growing 15 percent per year on $7 billion in customer transactions. Profits hit $2.2 million—actually a so-so 1.46 percent net margin, below the industry average. But Price worried that employees with money troubles would fail to provide the top-notch service that had made Gravity successful. He also believed that low starting salaries were simply wrong—contrary to his values, which his father had always taught him to respect. “I just decided I’m gonna do $70,000,” he says. “I don’t care if I have to stop paying myself or I have to work 20 hours a day. I’m going to do it.”

Price says establishing a $70,000 minimum wage is a moral imperative, not a business strategy. And yet he must prove the business wisdom behind it, not only to keep Gravity from sinking— and going down with the ship himself—but also to achieve his long-term goal of transforming the business world. “I want the scorecard we have as business leaders to be not about money, but about purpose, impact, and service,” he says. “I want those to be the things that we judge ourselves on.”

“Most people live paycheck to paycheck. So how come I need 10 years of living expenses and you don’t?”
Facilitate Fast Growth With an ERP System

By understanding businesses’ need for effective and flexible cloud-based software solutions, Inscio drives growth for itself and its clients.

**FAST-GROWING COMPANIES** move at lightning speed, and they need partners who work as hard and fast as they do. These partners must be flexible enough to keep up as processes and strategies inevitably change. Inscio supports fast-growing companies by helping them leverage business applications to connect people with the information they need to succeed, across systems and processes.

Many of Inscio’s customers have outgrown entry-level business management software but don’t want to deal with the challenges, complexities, and costs of enterprise-level solutions. Inscio helps them evaluate, license, and implement cloud-based enterprise resource planning (ERP) systems, namely NetSuite, an Oracle product. ERP platforms allow companies to manage their CRM, e-commerce, order fulfillment, and finances from a single tool. Brian Gallagher, principal and co-founder of Inscio, explains that this unification leads to better decision-making, communication, and processes, and ultimately, more profitability.

Inscio understands the needs of fast-growing businesses first-hand. Over the last three years, the Dallas, Texas-based business has grown by 119 percent. Gallagher credits this growth to his and his co-founder, Michael Wetsen’s conscious decision to always “make the choice that most benefits our customers, employees, and partners.” This choice isn’t always the easiest one. For example, Inscio decided to partner exclusively with NetSuite in 2015, even though it was having success selling other solutions. “By offering just one product, the one we believe is the most comprehensive and high-performing, we save our customers time and money. We can spend less time solving technical problems and more time on user adoption and optimization—things that deliver real value for the business,” he says.

Delivering real value is a key theme for Gallagher and Wetsen, and it has been since Inscio’s inception in 2005. They had been colleagues at a large consulting company and recognized the pros and cons associated with most large enterprises. “We wanted to take everything we had learned at large firms but strip out the layers—all the things that can waste client’s money and time,” explains Gallagher.

To help users get as much value as possible from NetSuite, Inscio offers custom development, from small tweaks to unique applications. It plans to expand this area of the business, as well as its user-training solutions and licensing of intellectual property in key areas, including multi-company, private equity, clinical trial, medical device, dealer management, and analytics, over the next three years. Gallagher says these initiatives would not be possible without the expertise of his team. “I don’t know how we found these people,” he raves. But he knows why they stay. Inscio treats employees well and gives them autonomy. “We trust our team to solve business challenges,” he explains, “and to take an active role in their career development by setting their own learning plans.”

Gallagher, Wetsen, and their team are dedicated to continual improvement. “We are always looking for ways to do things better,” Gallagher explains. “Some of our best clients have been Inc. 5000 companies. The pace for these businesses is different than other organizations. You need to be flexible. We are, and our solutions facilitate agility for our customers.”
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