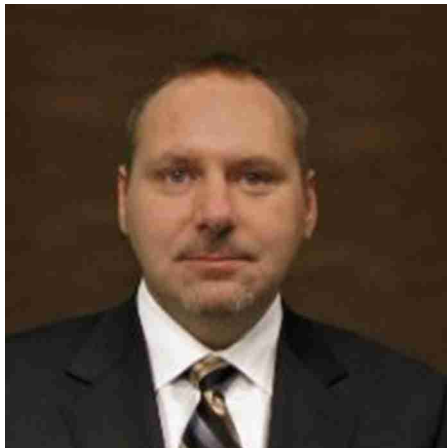


**Providing SAP Business All-in-One, SAP Extended Warehouse Management and SAP Supply Chain Management applications, LogiStar Solutions is helping Clients Maximize Supply Chain Efficiencies and Distribution Velocity**

**Technology  
SAP services**

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**Brian M. Thorn  
President**

**BIO:**

Brian M. Thorn is co-founder and President of LogiStar Solutions. He brings over 20 years of experience in enterprise supply chain management solutions and mobility technologies.

Prior to founding LogiStar Solutions, Brian co-founded SCT Software, a leading provider of innovative logistics execution software servicing the SAP user community. Brian also served as Senior Vice President of InfoLogix's Enterprise Solutions business from 2008 to 2011. Previously, Brian held a series of progressive leadership roles in the supply chain and mobility software and services

industries, including Vice President and General Manager of Catalyst, a business unit of CDC Software focused on global delivery of SAP Supply Chain Execution solutions, as well as senior sales and management roles with supply chain software and services company Acsis, and mobility hardware manufacturer Intermec.

**About LogiStar Solutions:**

LogiStar Solutions is an SAP services and channel partner that helps clients maximize supply chain efficiencies and distribution velocity by leveraging the SAP Business All-in-One, the SAP Extended Warehouse Management (SAP EWM), and the SAP Supply Chain Management (SAP SCM) applications. The company also offers a best-in-class application for voice-enabled automatic data collection, and SCT Software's XPS, a leading parcel shipping solution for use with SAP applications.

**Interview conducted by:  
Lynn Fosse, Senior Editor  
CEOCFO Magazine**

**CEOCFO:** Mr. Thorn, what was the vision when you founded LogiStar Solutions, and where are you today?

**Mr. Thorn:** When we founded the company, we saw that there was a great opportunity within the supply chain management arena, specifically in the SAP supply chain execution space, to build a company that would be market leaders in implementing the SAP warehouse management and transportation management applications. We saw a void with the big four consulting firms, and we did not see a lot of focus in these areas by those

organizations. We decided that we wanted to capitalize on that, and so far, it is working out pretty well. We started the organization with 18 individuals who were full time employees in June of 2011. Since that date, we have almost quadrupled our size to close to 70 full time employees. We expect that to probably be over 100 full time employees by this time next year. The vision was true, and we have been fortunate enough to capitalize on it.

**CEOCFO:** What were some of the challenges technologically in getting the program and offering together?

**Mr. Thorn:** The first and largest challenge that we had was that the applications that we chose to focus on within the SAP ecosystem were relatively new. We had to invest a great deal of time and money into making sure we understood those applications, making sure we had the best qualified people to implement those applications, and to come up with our own training curriculum to help us expand and scale our team as the business grew. I would say that was the most costly and time intensive challenge that we had was- educating ourselves and educating our future and now current employees to ensure that we could always exceed our clients expectations and make sure that we had the best in-class team to implement these particular applications.

**CEOCFO:** Was it the knowledge of SAP and the fact that their systems are workable which gave you the confidence to start with your solutions?

**Mr. Thorn:** Typically, with any SAP application, there is a learning curve.

It is not only for SAP as it rolls out the application, but there is also a learning curve for the consulting partners and for clients. SAP opened the doors for us to get as deep in the application as we wanted to, and they were a fantastic partner in doing that. I think that is SAP's mantra, they want their partners to lead the way and be able to position well and implement their applications very successfully. In this particular case, we showed a great deal of willingness to learn as much as we could about these particular applications and SAP was very forthright in their commitment to making sure that they helped educate us on these applications as much as possible. I think what was beneficial for us was that we were able to take that knowledge back, enhance it, and scale an organization around that knowledge. We are a consulting business, and knowledge is power and knowledge is something that you can charge a good sum of money for, so we were able to monetize and capitalize on the knowledge that we were able to gain through the partnership with SAP.

**CEO CFO:** What would be some of the common areas of the supply chain that you can help a company with, and what might be one or two of the more unusual features of your system?

**Mr. Thorn:** If you look at the overall supply chain offering from SAP there is a planning element and an execution element. If you want to break it down to the most simplistic way of looking at it, planning is thinking you want to do something and execution is doing it. Execution is moving boxes from one place to another whether that is by using a forklift, truck, or container load. When you look at the SAP supply chain execution marketplace, for years it was somewhat underserved. While Fortune 1000 Companies might look at SAP for the supply chain planning portion of their business, they tended to look at what we would refer to as best of breed or best in class software solutions for the supply chain execution elements of their business. The latest release from SAP is their Extended Warehouse Management application. The solution

is best in class, so that the large companies that I referred to earlier are now free to look at a holistically integrated supply chain where they can have all of the supply chain planning elements and execution elements in one common platform. When you look at the complexity of a warehouse management solution, it can be as simple as putting a part in a bin and wanting to know where that part is so that it can be picked up later or it can also be as complex as having 52 loading dock doors and having a very complex cross-docking routine, where things need to be swapped out before they even get down a warehouse aisle. The logistics can be as complex as companies want it to be, and what SAP has come up with is a wonderful solution to manage those complex logistic elements of fast moving businesses.

**CEO CFO:** You work in a number of industries. Is there a particular area of focus for you or any areas that you would like to have greater penetration?

**Mr. Thorn:** Typically, what we see with SAP logistics applications is that life sciences and pharmaceutical companies are the first movers. I think one of the reasons for that is their industries are so heavily regulated that they need the track and trace functionality that only an integrated solution like SAP can offer. We see those vertical markets move first, and we have had a great deal of success in those verticals. That being said we are really a horizontal player and whether people are moving parts, boxes, or containers from one place to another, we can help them do that in the most efficient manner. When you look at the macro North American economy, we have gone from a very intense manufacturing society to more of a distribution society, and I think a lot of these Fortune 1000 and other leading companies have recognized that we are not necessarily building things as much as we were, but we are still moving a lot of products across the globe. The American consumer still buys a lot of stuff, and for leading companies to outpace their competition they need to do it in the most efficient way possible. In order

to do that, they need to get very good at distribution. Companies are starting to invest in their supply chain execution systems so that they can outpace their competitors and gain better visibility of their inventory, which is needed if they want to be successful. They are also making sure that their supply chain has the velocity that they need in order to service their clients.

**CEO CFO:** How do you reach potential customers?

**Mr. Thorn:** We see a lot of our business come through referrals from SAP because we have made a large commitment to SAP and they are very good with their partners. If you make a commitment to them, they will make a commitment to you. We have seen them live up to that part of the bargain, as they refer many clients to us. We also have our own inside sales team that does a lot of investigative work on clients that we want to do business with, and we have had a lot of success with that team. We have an integrated marketing approach of both inbound and outbound marketing activities to help support lead generation programs and brand awareness. We do many thought leadership webinars and seminars, and as a result of doing those exercises we see many companies wanting to talk to us.

**CEO CFO:** When you are talking with a prospective customer, when is the 'aha' moment that they understand you have a more effective offering?

**Mr. Thorn:** This is a bit of a challenge for us even though we are an SAP reseller. We are very much a services company, so we will go in and work alongside with SAP to evangelize a product offering, regardless of who is selling it- whether it is SAP, us, or even another SAP partner. The majority of our revenue is through our services business, so often the "aha!" moment will happen a couple of different times during the presentation of the software. People understand that SAP really does have all of the bells and whistles that are needed to run a complex warehouse. There is also a second sales cycle on the services side, where we have to prove to clients that we are the best choice for

them to work with to implement this software. Usually the “aha!” moment comes for our clients when we can start talking about relevant clients to them. For example, in the aerospace industry if you are talking to someone like Boeing or Airbus, and can talk about one of their competitors and draw on the experiences we have in that particular industry and the challenges we helped to overcome for that particular type of client. That is helpful, and people understand that you have done this before and that you have a lot of credibility in the space.

**CEOCFO:** What are the intangibles that you look for in your employees?

**Mr. Thorn:** When we founded the business, even though we started two years ago, the core of the business has been ten people working together for close to ten years side by side. We are all very like-minded and it is a work hard, play hard culture. We believe in delighting our clients, and that is promoted throughout the organization. We have people who truly care not only about each other- it is important to us to have a culture of caring within our organization- but also care about the results of the client. It is amazing to me that our consultants are not looking at their work assignment’s as doing a job, for them it is a mission, and their mission is to make sure that we are successfully implementing the software and that the client is thrilled with the results. We have been very selective about the people we hire, and we make sure they fit into that culture. We have probably turned down some resumes and people who were exceptionally bright, but we felt for one reason or another that they might have been too individualistic or their idea of getting ahead in the organization involved stepping on someone to get there. That will not sit well with our culture, so we have been very careful about the people we hire because cultural fit is so important for us. You go to war on these projects, they are difficult, and you want to make sure that whoever you are in the trenches with is going to be looking out for your back.

**CEOCFO:** What have you learned personally in your previous ventures that have been most helpful at LogiStar Solutions?

**Mr. Thorn:** In the SAP arena, number one is that it is somewhat of an incestuous business. You might not see someone for two years but they will probably be back. You want to make sure that you are fair with everyone that you deal with, because you never know when they are going to turn up again and for the most part, there are many quality individuals in this particular space. Some of the other lessons I have learned are to surround yourself with people who are smarter than you are in order to make sure that you are not the only person with an idea and you have people that can execute on those ideas. It is also important to have a good sense of collaboration with your team. I also learned to never rest on your laurels. We have a great little business here,

**“The perception within our marketplace is that based on the strength of our team and the culture and collective knowledge of our organization we are the best at what we do, we do it well and we are well ahead of the pack.”**

**- Brian M. Thorn**

and there are probably ten different entrepreneurs looking at our business and saying, “I’m going to do something just like that.” I want to outpace them so that when they catch up to where we are today we are already somewhere else further down the path.

**CEOCFO:** What is your geographic reach today?

**Mr. Thorn:** We are working globally. We have a geographic presence in North America, where headquarters are in Fort Washington, Pennsylvania. We also have an office in Mexico City and a number of employees down there. Many of our clients are Fortune 1000 organizations with global operations and they asked us to support them globally, so we do just that. Today, we have people working around the world. We have people in Asia, North and South American and in Europe, so we are definitely working for our clients across the globe.

**CEOCFO:** What is your strategy for the next year or two?

**Mr. Thorn:** We are probably at a scale right now where we really need to start looking at not only having people in other places on the globe but also a geographic presence, and by that I mean an office. Many of our clients do want us to support them globally, and I think there is a great opportunity for us to expand globally in order to do just that but in a more strategic approach than what we have been doing which is somewhat reactive. I think there is also an opportunity for us to expand the business globally as well as the opportunity for us to expand into other modules within SAP. I do not think we will ever get too far from our roots of supply chain, but I think there are other opportunities within the SAP ecosystem. I also think that there is a great opportunity to essentially look at a roll up strategy within the SAP supply chain

execution space. There is a lot of great small companies like ours, and I have often thought that it would be nice to put together one big company made up of all the little companies. There is a lot that we are looking at,

but the one that is closest to the boat is establishing European presence and reinforcing as well as expanding on our Latin American presence.

**CEOCFO:** Why should people in the business and investment community pay attention to LogiStar Solutions?

**Mr. Thorn:** I do believe we are an exceptional company. We are very niche focused, and there is a lot of value in that. When you look at the overall SAP ecosystem, not everyone is overly enamored in dealing with the big four because they are very much generalists. They understand a little about a lot, while we understand a lot about a little. It is a big market, and when you look at the opportunity for SAP supply chain execution services, it is in billions of dollars. There is the opportunity over the next couple of years to capitalize on some of those service offerings. I think we are viewed as the leaders in the supply chain execution space, and as a matter of fact, SAP have recently recog-

nized us their 2013 Supply Chain Execution Partner of Excellence. I think that is a direct result of the kind of foresight we had a number of years ago when we said we wanted to make an investment in this business, we want to be niche, we want to be fo-

cused, and it eventually allowed us to attract and retain the best people in this business. Just like any other services company people are our biggest asset and The perception within our marketplace is that based on the strength of our team and the culture

and collective knowledge of our organization we are the best at what we do, we do it well and we are well ahead of the pack, this is why they should take notice of us.

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