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Vital signs still there

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By David A. Smith

When Vital Network Services moved its operations out of Naugatuck to Florida last year, it went without people like Thomas S. Bednarczyk, Tracey Margelot, John Pugliese and a bunch of other longtime employees.

Too young to retire and too skilled to start anew somewhere else, and a number of their colleagues instead took another route. They launched some of the more than 18,000 Connecticut businesses started so far this year, deciding to look at the company's departure as a new beginning rather than an ending.

It's not a chain of events without precedence in the Naugatuck Valley, though it appears less common as it once was when, for example, former employees from companies like the Waterbury brass mills, often started their own manufacturing operations after their employers shut down.

"It's not uncommon," said Beth Wallace, director of Smart Start, a state-funded program that helps start-ups cut through the red tape required to legally run their new ventures. More often than not, however, Wallace finds folks are more apt to take the plunge because they are looking for a change.

"A large amount of people who are starting up their own businesses are experts in their field who prefer to do it for themselves," Wallace said. "I'd say a lot of people that I talk to, it's their life dream to run a business. Then you have the people who sort of stumble into it; there are a large percentage who do go into business in that way."

Indeed, as large companies downsized in the past, it was more common to see former employees strike out on their own, said Greta Johansson, deputy director with the U.S. Small Business Administration's Connecticut Office in Hartford.

"It's not unheard of," Johansson said. "There's just not as much of it right now."

There's been plenty of it, however, with ex-employees from Vital, the former General DataComm Industries Inc. subsidiary that got its start in 1970 servicing telecommunications equipment manufactured by GDC. At least 10 of those left behind when the company moved to Florida have opted to go into business for themselves, some in the telecommunications industry and others in totally different areas.

Finding the 'Silver Lining'

Thomas S. Bednarczyk, Vital's former vice president of global strategic marketing and planning, was among the first employees in the job market after Vital was bought by new owners in December 2001.

It was sold to a group of investors who announced seven months later they were moving most of the company's remaining 70 jobs in Naugatuck to their Tampa, Fla., headquarters. It was the second time in 18 months that the company had changed hands. GDC sold it to San Jose, Calif.-based Mayan Networks Corp. after in September 2001 as GDC's financial troubles mounted.

However, two months later, both GDC and Mayan filed for bankruptcy, which put Vital on the selling block again.

Bednarczyk had been with Vital since 1985 and was second in command until March 2002, when the Florida investors took over the company's day-to-day operations.

Just one month later, he and former Vital employees Tracey Margelot and John Pugliese, began exploring the idea of forming their own company. At the time, Margelot and Pugliese were working for Greenwich Technology Partners, a New York-based consulting and engineering firm that specializes in information technology, or IT, or services for computers and other networks.

"We got kind of tired of the commute," Pugliese said. "We got tired of the corporate infrastructure."

Margelot had left Vital in 1999, after more than four years as a human resources specialist. Pugliese, who was with Vital and its predecessors for 20 years and was executive director for sales and business development, left about the time Mayan bought Vital from GDC.

They were on a train out of New York one afternoon and talking about starting their own business, when Margelot looked out the window and saw the sun escaping from behind a dark cloud. In June 2002, the trio officially launched Silver Lining Partners, which designs and services computer networks.

"We're kind of like a general contractor to the service business," Bednarczyk said. "We've known each other for a long time. With each of us having different skills, what we wanted to do was stay within our core competency."

One of the things they found was that although companies have downsized that doesn't mean they can neglect their computer networks.

"They still have to maintain the network, but they have to do it with less resources," he said, which has opened opportunities for the smaller, more flexible start-ups like Silver Lining.

Leveraging know-how

Former Vital employees Ed Rudek, Brian Cook and Geoffrey Scheurich are using similar logic to their advantage with Digital Business Options. The Harwinton-based business offers network development, monitoring and management, Web hosting and Web-page design, technical support and other services for home-office and office networks.

"Because companies are outsourcing, we've taken on, or are willing to take on, any of the tasks involved with IT," Scheurich said. "Our experience is that we've maintained and built these networks for years now."

Indeed, in 1997, Vital shifted its focus from solely GDC products to installation, management and product repair for multiple manufacturers, including Cisco and Nortel.

Rudek, who left Vital earlier this year, actually co-founded the business in 1996, offering Web-hosting, page design and small networking services.

"With the moving of Vital, we became a partnership ... and began taking on larger jobs both in IT outsourcing and network monitoring," he said.

Cook and Scheurich, who both put in 20 years in technical support at Vital, joined Rudek in March. In fact, while at Vital, they worked on advanced technology used by large, Fortune 500 customers.

"The technology we worked on for the last 20 years ... is now making its way into smaller companies," Cook said.

"That's exactly the background that we come from."

Scata, a Farmington resident, was one of the few remaining Vital employees in Connecticut when he left March 31 after 22 years. While at Vital and its predecessors, Scata developed multimedia training for the operations worldwide, so he decided to continue that type of work, but as his own boss.

Shortly after leaving the company, he launched Custom Multimedia Design, a Farmington-based limited liability company that develops and produces training sessions recorded on compact disc.

The training runs the gamut from things like marketing and sales to basic office tasks. To him, starting his own business seemed like a logical move.

"I've always done training all over the world," he said. "Now, I've just turned around, and I'm doing it myself. I found that there's a huge market for it."

One client, for example, operates a manufacturing plant in Mexico, where he traveled to videotape the work performed at each workstation. He then produced a compact disc detailing just what employees need to do for each of those manufacturing steps.

"I always did my own thing at Vital, so they basically taught me how to run my own business," he said.

'Comfortable fit'

Eugene Jackson was laid off from Vital in November 2002 after 10 years with the company, where he developed custom training courses for Vital's customers. He has since become an independent contractor in the same field.

"I was looking for a job first of all," Jackson said. "There weren't very many opportunities which I felt comfortable with here in Connecticut. The other part of it was not wanting to work for anyone else."

In March, an opportunity to work with GDC again came up, he said. The company was looking to contract with someone to provide customer training as part of its "factory-direct" services program for its products.

Naugatuck-based GDC makes products like modems, routers and switches that help users access and build telecommunications networks. As part of his contract with GDC, Jackson said the company agreed to provide him with the equipment and technical staff needed to run his operation.

"I couldn't lose," he said, and on Aug. 14, he launched Jackson's Unique Technologies, a limited liability company that subcontracts with GDC.

"It made it easy, and it was a comfortable fit when the opportunity came to me."

Not all former Vital employees headed back to the high-tech world. Newtown resident Greg Keller, who had been with GDC and Vital since 1978, wanted to do something else after Vital laid him off in February 2002.

"I wasn't interested in going back into the corporate world as I had been," Keller said. "I was actually looking at the federal and state governments."

After those efforts proved unsuccessful, Keller and buddy Stafford Mead, another former GDC employee, launched Graff Partners, a home-improvement firm that tackles residential remodeling and new construction.

Mead had worked for GDC, then Ahead Communications, which bought GDC's broadband systems division in August 2001.

"I'm certainly too young to retire, but I couldn't afford to retire either," said Keller, who had picked up his carpentry skills from his father. "We just carried it over into the business."

When Mead, who had previously batted around the idea with Keller, was laid off in mid-2002, the pair explored starting their own business.

Today, they tackle basement refurbishing, bathroom remodeling and home-improvement projects large and small within a 45-minute radius of Newtown.

"The advantage of not having to worry about someone in the corner office, that was very important to me," Keller said.

"I wanted to be able to control my own future."