"Tales of Resilience: How Small Business Prospered Despite the Recession"

Testimony of:

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The Honorable Sam Graves, Chairman

The Honorable Nydia M. Velazquez, Ranking Member

Good afternoon Chairman Graves, Ranking Member Velazquez and members of the Committee. Thank you for hosting this important hearing today and for your invitation to provide testimony. My name is Todd Flemming, President & CEO of Infrasafe Inc., headquartered in Orlando, Florida. Infrasafe is a global security technology integrator focused on serving organizations with the most stringent security requirements. Our mission is to provide our clients with unique, flexible and long-term solutions to effectively manage both physical and information security. Veristream and Advantor Systems Corporation are wholly owned subsidiaries of Infrasafe. Advantor provides a wide spectrum of security technology and services to government clients. Veristream is a software-as-a-service provider committed to protecting organizations from security risks, focusing on visitor and vendor management, information security, secure credential management and authentication. Infrasafe was founded in 2002.

"In the middle of every difficulty lies opportunity." – Albert Einstein

Fortunately, Infrasafe has experienced solid growth over the past five years. In 2007, we employed 57 people. As of this month, Infrasafe has a workforce totaling 177. We expect to employ over 200 people by the end of August. Unfortunately, this type of growth has not been typical for most of my peers. The Great Recession followed by a weak economic recovery (and ongoing uncertainties) has made the business environment a very challenging one to navigate. I happen to be in an industry where demand continues to grow. However, it is a very competitive industry for small players like Infrasafe. We operate in both the government and private commercial sectors, which also offers its own set of unique challenges.

Infrasafe has grown by staying focused, adopting technologies to help us be more efficient, and carefully paying attention to the fundamentals driving our bottom line. **Staying Focused**: Small businesses like Infrasafe have limited resources so we need to deliver value to limited customers. The company has found its niche, and has successfully delivered on its promise. We have accomplished this by delivering on our promise to provide powerful and effective technology, backed by uncompromising service and support.

Staying Flexible: Being small certainly has it challenges, but it also provides us the opportunity to remain flexible. But flexibility is a mindset, and our management team remains open to better ways of doing business. For example, Infrasafe offers workplace flexibility for our employees in order to attract and retain a skilled workforce. We are always searching for new strategies to operate more efficiently (see technology below), and remain open minded about doing business in new markets.

Global Presence: Our client base spans four continents, reflecting our unique ability to meet the diverse and challenging needs of business, government, and international markets on a global scale.

Financially Focused. Infrasafe focuses like a laser on "CPR" — Cash, Profit and Revenue Growth. We maintain a conservative balance sheet given economic uncertainties. As mentioned above, we strive to be more efficient. Domestic "outsourcing" (our product manufacturing is done by a third party in Coco Beach, Florida) is one way we are able to improve upon efficiency and focus on revenue growth.

Technology is Embraced: Infrasafe has readily embedded technology solutions across our operations, allowing us to cut costs and operate more efficiently. For example, we use mobile applications and technology solutions in many areas of the business,

including GPS to locate and route service trucks to ensure quick service for clients and efficient use of the company's resources. Our service teams record services performed, and report inventory used on mobile devices. Our sales team, managers and staff use GoodReader, Dropbox and Salesforce.com for their multifaceted needs (viewing, editing and storing non classified documents and data, reviewing and updating customer information). These are just a few examples of the many ways Infrasafe has enthusiastically infused technological innovation across our business operations.

Human Capital: Infrasafe employees are the foundation of our success, and we continuously strive to build an environment that fosters creativity and support. Infrasafe works to instill a culture of excellence, and that manifests itself in the emphasis we place on training and open communication. As noted above, we provide our employees with cutting- edge technological tools to efficiently do their jobs. Our employees enjoy working at Infrasafe -- they are both challenged and rewarded by their work experience. As President, I believe it is critical to surround myself with the best and brightest. In addition to an outstanding workforce and management team, Infrasafe has a board of directors, which I regularly convene to explore better ways of doing business, new revenue opportunities and strategic advice.

A lot of hard work and sleepless nights have gone into making Infrasafe a success. Obviously, Infrasafe is faced with day-to-day challenges like any other company. The economic environment keeps us highly focused and generally conservative when it comes to risks and new investments.

The potential headwinds we see this year and beyond are the key issues that this Committee has explored. For example, the uncertain tax environment for S Corps and LLCs; the direction of the economy and ongoing uncertainties related to costs and how this will impact

commercial expansion; as well as an uncertain Department of Defense environment under the looming shadow of sequestration.

I thank you for the opportunity to provide testimony today. I look forward to your questions to discuss Infrasafe's strategies and practices that have allowed us to grow during this difficult economic period.