BIRTHING OF GIANTS

AMIT KAPOOR: ON A MISSION TO MAKE EMERGENCY WORKERS SAFER

Like many of us, Amit Kapoor was deeply moved by the first responders who, on September 11, 2001, ran toward danger to save lives—many sacrificing their own lives in the process. But unlike most of us, Kapoor decided to show his gratitude in a concrete way. "I was a computer science guy, and back in the late 90s and early 2000s, computer science and computer technology was what everybody was going toward," he said in a 2019 interview. "I wanted to find a unique space. And the unique space I found was, after 9/11, the first-responder market." Kapoor learned that first responders like firefighters and EMTs often had to deal with complex, cumbersome safety equipment that impeded their work, so he decided to find simpler, more effective solutions.

He launched First Line Technology in 2003 as a U.S. distributor of European safety products, selling them to the Department of Defense and the newly created Department of Homeland Security, as well as municipalities around the country. Over the next 19 years, First Line grew dramatically, evidenced by its five appearances on the Inc. 5000 list of the fastest-growing U.S. companies. Kapoor attributes this success in large part to the company's dedication to its core mission: work with first responders and the military to develop innovative products that make their jobs easier and their lives—and the lives of the people they serve—safer.

A FOCUS ON INNOVATION

A large part of this mission centers around technological innovation, which can be a costly and time-consuming process, often with more misses than hits. But Kapoor learned early on that he could reduce the risk of innovation by actively seeking out new ideas, co-developing them with their originators and bringing them out of the lab and into the real world. "Part of the business that really helps us strategically grow very quickly has been finding unique technologies out of university labs or government labs," he explained to CEOminutes. "They're very good at innovation, but they do a so-so job on commercialization. That's what we excel in."

Kapoor and his team trawl trade shows, conferences and research symposiums to uncover innovative opportunities. "I'm a patent nerd, so I will read the U.S. Patent and Trademark Office website and the Federal Register and see what's being awarded. I also do a lot of Google searching on patents and what people are putting out for patent applications in our space." Using that information, First Line establishes a relationship with the original researchers to better understand the use cases and commercial outlook of their discoveries. If there's a fit, the company licenses these technologies and even finds ways to combine them with internal or third-party technologies to develop a final product.

They then present a prototype to first responders to evaluate it. If it jumps all these hurdles, they put it into production.

It was in this way that First Line evolved from a distributor to a manufacturer of its own patented products as well as products based on these licensed patents. One of its most successful products, in fact, is home-grown: The company's AmbuBus conversion kit transforms any school or metro bus into an ambulance that can carry up to 18 non-critical patients and do it in less than two hours with no power tools required. In comparison, a turnkey, fully equipped medical ambulance bus costs between $500,000 and $1 million per unit. By leveraging surplus or end-of-service school or metro buses and using an AmbuBus conversion kit, a community can have a working vehicle for less than $50,000.

In addition to patient transport solutions like AmbuBus, First Line specializes in personal cooling and decontamination. Its heat-activated PhaseCore Cooling Vests absorb body heat to provide long-lasting cooling without the need for refrigeration or electricity. True to the company's mission, the vests are designed to be lightweight and not restrict movement, which can be a lifesaver in emergency situations.

Kapoor is particularly excited by First Line's growing range of decontamination products, especially those designed to protect first responders on the front lines of the opioid epidemic. "One of our technologies that we license is called Dahlgren Decon. It's a liquid you can spray on yourself that will actually destroy fentanyl and render it safe. First responders can tend to an overdose patient or raid a drug lab without endangering themselves. I call it Tide plus OxiClean," he jokes. The products' usefulness, however, is no laughing matter. According to the National Safety Council, synthetic opioids like fentanyl accounted for 33,725 preventable deaths in 2019. "Before Covid had kicked off, fentanyl was a major issue in the country. We got distracted with Covid happening but fentanyl didn't go away." Indeed, by 2021, the Centers for Disease Control and Prevention reports, the number of deaths reached more than 71,000.

SUPPORTING THE MISSION THROUGH THICK AND THIN

There have been plenty of times when the mission was tested, Kapoor says, but having a clear North Star facilitated even tough decisions. "Hurricane Katrina was really a defining moment for First Line," he says. "We had the opportunity to raise pricing to our customer. Supply was very limited, demand was very high and there's a lot of companies out there who did it. But our goal is not short-term wins. We want long-term wins with our customers."

The pandemic was also a crucible for the company. "I remember in early January 2020 going to Singapore and having some meetings with the Singaporean Defense Ministry, having a conversation about a virus out of Wuhan, China similar to SARS and other respiratory viruses. They were asking us, 'What should we do about this? How can we handle this? Would your product work?' We realized that

this could be a global issue. I recall flying on this airplane back to the United States, landing at Dulles and thinking, should we have actually flown on that airplane?"

Soon enough, First Line was in the thick of battle, protecting first responders and hospital workers as infections and hospitalizations skyrocketed. "Covid was wild," he continues. "In March, we went from five orders a day to 700, then 1,400. We didn't have enough people to take orders. Some people would say this is an awesome opportunity, but it was a stressful time, because we didn't have enough inventory. We were pre-purchasing inventory, we're trying to get things as ports were shutting down around the world.

"Looking forward, we learned a lot of lessons from Covid. Namely: How do you scale to take a lot of orders like that? How do you scale to take a lot of customer service requests, angry customers who can't get their products? Because if one customer's calling, we got a dozen customers calling. We got 100 customers calling. Hospitals have the ability to do surge capacity. Businesses need to be able to handle surge capacity, too."

Another lesson: "Culture drives leadership as well as the other way around. If leadership panics and struggles, that trickles down. It's easy to panic, to have that, 'What am I doing?' moment." Kapoor credits the work he did during a Birthing of Giants Fellowship Week the previous year, when one of his accomplishments included clarifying and affirming the company's mission statement. "That mission really helped us through the pandemic to clearly define what we want to be doing," he says. It also meant finding and retaining people who would support the mission when the rubber hit the road. "Recruiting is a challenge because we're looking at a specific mission-driven, core value set," he explains. Even so, many current employees weren't up to the challenge of coming into work during a national shutdown. "We had people who fought in the military who said, 'This job is not for me.' That was very painful to me, because I thought that we had built this together. That was a tough struggle."

RUNNING TOWARD RISK

Like first responders, entrepreneurs are conditioned to move forward when just about everyone else is seeking safety. "As entrepreneurs, you have to run towards that risk," Kapoor says. "It was a risk for me to keep everybody in the office, but for two years, we had no Covid spreading within the office. Why? because we took an educated risk, a calculated risk. We didn't just risk it all for no reason. We have a plan."

Kapoor developed that plan with a methodology he learned at the Birthing of Giants Fellowship Week. "We've implemented the Entrepreneurial Operating System (EOS) within our organization, and it's been a game changer for us," he says. EOS is a set of tools and concepts for clarifying, simplifying and achieving an entrepreneurial vision. Birthing of Giants uses EOS to help Fellows tackle persistent challenges, set achievable goals and streamline their operations. It's a great way to align vision, people

and process to gain traction in the marketplace with an effective operational structure and having the right people in the right roles.

"We have some great things coming down the pipeline," Kapoor continues. "We're looking at some new joint ventures over the next year or two that are going to help accelerate not just linear, but exponential, growth going forward to get us to that level of a moonshot. During our planning sessions, my leadership team asked if we were going to change our mission and culture to get there."

Kapoor's response? "Absolutely not."

FIVE TAKEAWAYS

1. **Define your mission.** First Line Technology benefits from having a specific mission that's not so broad that it's meaningless. It is not simply to help first responders help others. It includes parameters like making technology more accessible and practical. That helped Kapoor choose not to raise prices unreasonably during Hurricane Katrina, even though some competitors were doing so. Notably, that was less an altruistic decision than it was a calculated risk to build loyalty and increase customer lifetime value. Even if your company's mission is saving people from inconvenience rather than mortal danger, it must be one your entire team can rally around.
2. **De-risk innovation.** Speaking of calculated risks, Kapoor has found an excellent way to bet small on innovation and win big. Rather than rely exclusively on costly and time-consuming internal research and development, he goes right to the source—such as academia and the military—to find innovation that's already in progress. He can then invest incrementally to develop proof of concept before releasing a new product.
3. **Control production.** Kapoor took the opposite approach to manufacturing, deciding to bring it in-house rather than contract it out to third parties. While it's impossible to fully unpack the economics behind this decision, one thing is clear: By owning the factory, First Line is better positioned to handle surge capacity when events like hurricanes or pandemics occur.
4. **Partner with your customers.** First Line succeeds in no small part because it works closely with its customers. It licenses technology from the U.S. Department of Defense, for example, and it has customers review prototypes before putting them into production. By knowing ahead of time what your customers want, you greatly reduce your risk in delivering it to them.
5. **Culture is critical.** Kapoor learned the hard way that even if you hire people who believe in your mission, they might not be willing to support it when needed most. Culture brings mission and vision to life every day, in small ways and large. Leading by example is crucial. Kapoor has instituted a strong corporate social responsibility program that sets goals toward employee volunteer hours. This fosters a culture of communal responsibility in support of the mission that strengthens employee commitment and engagement.

TIMELINE

2003: First Line Technology launches as a distributor of European safety equipment for U.S.-based first responders and the military. Employees: 2

2004: Kapoor receives his MS in Computer Science from The George Washington University

2005: First Line achieves $1 million in revenue.

2008: It introduces its first AmbuBus conversion kit, allowing any school or city bus to be converted into an ambulance in under two hours.

2012: The company makes its first appearance on the Inc. 5000 list of the fastest-growing private companies in America, ranking at #3,095.

2013: First Line launches an online store and is named one of Washington D.C.'s "Best Places to Work" by the *Washington Business Journal*. It reaches #1,606 on the Inc. 5000. Employees: 11

2016: The company signs an agreement with the Naval Surface Warfare Center to license Dahlgren Decon, a solution that neutralizes fentanyl.

2017: First Line achieves $6 million in revenue.

2018: The company ranks #2,100 on the Inc. 5000 list—achieving a growth rate of 212% over three years.

2019: Amit Kapoor participates in the Birthing of Giants Fellowship Week. Employees: 16

2020: First Line sets sales and production records due to high demand for decontamination and disinfection equipment amid the pandemic; it ranks #3,482 on the Inc. 5000 list.