

Something Extra EP 034 – Mark Thom

Lisa Nichols: I'm thrilled to welcome Mark Thom to the show today, Mark is the CEO and Chairman of MiTek industries.

Mark, I am delighted that you made the time to be with us today. I'm so excited for you to be on the show in for listening audience to get to a lot of people know you already, but there may be a few out there that don't... And I'm just excited for them to get hear your story.

Mark Thom: Well, it's great to be here Lisa, thank you for the invitation. Also, thank you for some patience and just trying to work to coordinate schedules. It's great to be here today, I'm excited, I'm excited about what you guys are doing through the podcast and the way that people are receiving that, and humbled to be a little part of it today, so thank you.

Nichols: Very good. Well, there are a lot of things to talk about. I told you, we're probably going to have to do part one, and part two. With you, there's all kinds of things to talk about it. So, I'm going to go on, let's dive in. I'd love for you just to give us a really quick version of how you grew up.

Thom: Okay, yeah, I don't get asked that very often anymore. So it's kind of nice to remember that and tell a little bit of that story.

I am from a small town in North Central Ohio. Sandusky, Ohio, and The Second Son of parents who also are from that area. My mom is from Pittsburgh, originally, my dad actually was from Sandusky and they ended up there after college and they were educators, so I grew up in a home with a mom who was an elementary school teacher for 35-36 years before she retired and a father who went from teaching relatively quickly into administration was a junior high and then a high school principal for almost 40 years.

So we grew up with the things that you grow up in a home where you have education. My parents were very present in our lives. Because the schedule for a teacher and for a principal is there's a nice routine to that indicated. So, I remember growing up and eating dinner with my parents, my brother, and I have one older brother and the two of us were heavily involved in

different things around leadership but a lot of sports and our parents, I remember them very much being a part of that because they're schedule permitted it. Yeah, just very involved in the community.

Nichols: Well, you know to say education was important, is probably an understatement, right?

Thom: It is an understatement. We grew up in a home whether it was a high premium that was placed on education. My father was the first person on that side of our family to actually attend college and I'm not sure if he would have gone, had he not actually been a good golfer. He went, played golf in college and that was got him there. And I think like many folks that go to school and are involved in athletics, a lot of times education, education degrees are sort of a channel for that. Professionally, so he did that and yeah, there was a premium that was placed on excellence to education and what that could mean maybe in our life.

Nichols: And I know and we'll get into this I know that's important for you today as a leader. So let's talk about... 'cause you've had just an amazing career journey. Let's talk about when you got out of college, and who you went to work for because I think when you and I met you were working for one particular company, I just want to talk to you about that journey and your career ascent because you were a very young leader.

Thom: When I talk about all the work that I've been able to do professionally I think about my life as the work with my hands, I tend to refer to it that way. And there have really been three distinct phases to that. So when I came out of school, like a lot of folks in 1990 primarily, I tell people, my great career plan was to get a job that was really instilled into me by my dad.

I was very fortunate that I'm a graduate of Miami University of Ohio, in Oxford, had a great four years there and one of the things they did really, really well at Miami was they had a great career planning and placement office that brought in blue chip companies and so the access interviewing and just everything that goes with that process in that phase of my life as a second semester junior, and then, first semester senior was really a great learning. Got a lot of access to great companies and just the process of engaging with people and I was very, very blessed and ended up going to work, getting an offer before I graduated in May of 1990 from a company that was not real well known, but it was a Boston-based company, called Kendall-healthcare and the history of Kendall was that there were 100 years old, middle tier technology, medical device, medical, consumables company about 600 million dollars when I went to work for them.

They were owned for a period of about 10 years by Colgate Palmolive and then they were divested in 1989, so I went to work for them in a period where they were part of had been a part of a leverage buy-out, which was a really interesting chapter because out of that chapter and shortly after I started with them in 1990 series of things began to happen to prepare the company for another season, that occurred in 1994 when coming out of a what was called a pre-packaged bankruptcy because it was a lot of leverage that was on Kendall, they were able to restructure that and we became an acquisition target. And in the fall of 1994, four years into my career at a time when I was just getting ready to move up to our home office in Boston for my second promotion which was as a director of sales in one of the two divisions that made up the original Kendal it was announced that we were being acquired by a company called Tyco International and honestly we thought we had been acquired by a toy company.

You knew Tyco from toys and things like that. And so, they were a conglomerate that was a manufacturer in some industrial areas, but they were very interested in deploying capital into other companies and other non-industrial segments like medical device and drug that were much less prone to the vagaries of the economy and medical device and drug the margins in those businesses because of the amount of investment tends to be much higher than most industries and healthcare has generally been about as recession-proof as you can get.

And so we became the foundational acquisition for Tyco Healthcare. And the two men, that I worked for our CEO guy named Rich Meelia who served for many years in our chief operating officer, a guy named Kevin Gould. those two leaders ended up really building then what became one of the four platforms that ultimately drove Tyco to about 40 billion dollars as a Fortune 100 publicly traded company, and Rich and Kevin led that from their background at Kendall. they ended up leading what became Tyco healthcare, and we started on a journey from 1995 until about 2002, where we grew significantly through a series of very large acquisitions. I benefited from that, in that there was a lot of opportunity to do different things between 95 and about 2000. I became a young divisional president in late '98, 1999, and the division that I had started in out of college, that was about \$250 million when I was asked to leave that business.

Then in the spring of 2000, in March of 2000, it was announced that Tyco was going to make its largest acquisition in the healthcare group, and that was to buy a St Louis based company that many people here would be familiar with, share which was mallinckrodt we paid 4 billion for mallinckrodt and that acquisition closed in October of 2000, during the summer as the diligence process was taking place. I was approached by Rich and Kevin about coming here to St. Louis

with my wife Kim, at that time, we had two children. You know Lisa we have 6 today. We had our 2 others, Olivia and Caroline were very young and had been born in Boston. I was asked to come here first in some capacity, just the idea of coming here because we had found that when we did an acquisition, if we did not have a leader who understood our way, we had a way that we did things.

I tell people I don't really describe it as good, or bad, but it was discernible. We had a method to the way that we did things based on the way that we thought about things. Sure, and it was well ingrained in our leadership group, the reason that I think that was beneficial, is because when we acquired companies that were large had their own cultures had their own histories their own idea of success. One of the things that aided the integration or consolidation into the larger healthcare group was you needed leaders who were very capable of communicating what the way was, and I while that inevitably with businesses, leads to this way is not the way that we had. My experience is, there was a courage in doing that, because you quickly got people to a point where they could determine, Okay, we understand what the landscape is and most of the time people would opt in and they understood relatively quickly what the new ground rules were, and they could begin to adapt to that which I think people generally are pretty hardy and capable about doing that a lot of times when they're left without clarity about what the ground rules are, then they struggle and there's confusion that leads to fear and other things and struggle.

Sometimes people of course would opt out but it generally happens sooner. Rather than later in overall that method helped to get the businesses to a point where beyond some of the turbulence and disruption of the acquisition, you could begin to move forward in this new landscape. It was around that premise, that Rich and Kevin asked me about coming here because today one of the things you know I told you that I really feel as a secret ingredient, it's about courage. I'll just tell you a quick story if I can. It's a story I've shared many times. This is a good intersection.

The story that I've told many times, is that it was around July during the middle of this diligence process to acquire mallinckrodt that Rich and Kevin sat down with me and conveyed this idea that they wanted me to be a part of the acquisition to consider coming to St. Louis and I remember I said to them.. Well, there are three businesses there. Each of the three divisions, is about a billion dollars, they're very different. Two of the three businesses were on the drug side of the Food, Drug Administration and only one was on the device side, the device side was really the piece that we knew, as a healthcare company, and I said, to them, which of the three businesses are you considering me going into as the Tyco healthcare person? And they looked

at me and they said... We haven't decided yet, we really don't know any more about those businesses than you do mark, but we know you.

And the reason I share that story is, and I've shared it many, many times in my coaching career after I left Tyco in 2006, this coaching practice Lisa where you and I first. I worked with senior leaders often times in private companies for about a decade and oftentimes I would share with them the thing that that story can base is there was something other than subject matter experience that they placed a premium on in leadership, they recognized that they didn't know the business, and I didn't know the business, but they were attributes and some trust that was built up about me and they were willing to have the courage to move on that and send me out and let some of those other attributes hopefully, begin to take over time.

Nichols: And I can only surmise what some of those things are. With you, I think there's probably a curiosity, a continuous learning and obviously integrity there's a lot of things. So I want to dive into that.

AD: We're going to take a quick break and we'll be back with Mark Thom.

Nichols: So welcome back Mark. What I heard you say is that courage is your something extra that you believe every leader needs. We talked to in the first half about some of those stories of courage. But you also have a more recent story of courage, and we're going to talk about what you're doing now and the amazing company that you came into. So let's just dive on into that. And after you had your coaching practice, what did you do next?

Thom: Well, Lisa in 2012. So several years into my coaching practice, I was introduced to a local company, headquartered here in Chesterfield called MiTek and MiTek has been a part of Berkshire Hathaway since 2001. I got a phone call and entered into a coaching relationship like I had been doing with the senior leader there, that got me involved with the company in and during the course of that time, I developed a relationship and also a very close friendship to this day, with my predecessor, the former chairman and CEO of the company, a gentleman named Tom Manenti. In late 2015, I was in a meeting that I would periodically have with Tom and he began to communicate to me that he and his wife had been talking about his retirement and pending retirement and he had not shared that with anyone. And in the course of that conversation, he looked at me and he said, mark is there any chance that you would consider coming here? Coming back in a leadership and succeeding me at MiTek.

I remember, I very quickly thought about it, and tried to process that, and I looked at him and I said, Tom I just don't think that that is going to fit where we are as a family in our life. By this time, Lisa our six children were growing and, we had a lot of things going on in life and we had a very, very good balance in life.

I had a thriving coaching practice that was very personal heartfelt work to me. I loved the leaders that I was getting the ability to pour into and spend time with, and it was very, very rewarding from a travel perspective, I'd not traveled in many years after, in my career at Tyco healthcare traveling extensively and globally because of the size and scope of the company. So those things just flooded in. And I told Tom that and he said, Mark I respect that and I thought there was a high chance you would share that, but would you consider working with me in my succession? And so we started that process in 2016, and later in the year we had another conversation, and that planted some other seeds. We continued on the process though, of looking to recruit somebody else from outside the company, a really experienced leader that we thought could take the company into a next generation of success. After MiTek had, had experienced a lot of success under Tom's leadership and his predecessor Gene Tombs and finally, in October, I had a change of heart and right when we were on the cusp of hiring another leader, and was a very interesting situation because I had such a deep conviction, as we had brought this leader in from.

He had flown into St. Louis his wife had come with him as a part of the process and myself, Tom, and one other individual were involved in the process in an interviewing him live and in the process of finalizing that interview with him. I just was overcome with a strong sense of conviction that there was something here that maybe was supposed to happen in our life. And the reason I share that is because that took a lot of courage to go away from that. I talked with my wife Kim, she told me some things that she was seeing and just sensing and I reached out to Tom and I said, "Hey we need to sit down" and we did that. That's a wonderful, wonderful memory of the breakfast that he and I had. I shared my heart with him and the way that he responded that was pretty special. We started to take another step that culminated in at Thanksgiving of 2016 I made the decision to succeed him as chairman and CEO coming into the organization, two-and-a-half years ago, almost now from outside the company.

Number 1, though I had obviously history working with some of the leadership that helped, but still outside the company and a company that had a history of really promoting its people internally was a very disruptive influence. Number two from outside the construction industry, the building industry, really no frame of experience or reference for building beyond some of the

coaching work that I had done with some of those leaders and then following a leader who had been there for... He was in his 40th year. It was intimidating. It was a bit daunting but I think one of the things I had learned from prior experiences in some of the opportunities I had been given at Tyco like the story that I told earlier, being thrust into situations where you did not have a high degree of familiarity, but as you were growing as a leader, you were growing in your convictions about what constituted really effective leadership, and then coaching for a decade. Whenever you have to teach, you have to really know what you believe. And as a coach, where my model was to work with a small group of leaders over a long period of time, you were there not only for the teaching, but you were there for the accountability of did that translate into effectiveness?

So, it's strengthens your resolve, about dealing with the unknown. I tell people, you know, leadership is not really a process of perfect, it's a series of decisions that require a lot of courage and the ability to evaluate on the fly. Are we moving directionally towards the things that we've said we're going to accomplish? But you so often work with incomplete information and you have to learn to become comfortable with that. It takes a lot of courage So I think in this case coming over really was going to rest on those leadership principles and convictions and ultimately I felt like I was in a season of my life where there was a reservoir to draw from, as well as a deep love for some of the people that were there at MiTek. And an understanding of the culture, which is a really people first culture. It's really about seeing people, and the innate worth, of people and all of those things really captivated my heart.

So, that produced an energy and a conviction and ultimately a courage to say yes and I haven't looked back since it's been an incredible two and a half years. It's been challenging, like any place that you come and you're trying to prepare for a next season of great growth. Probably long after I'm not there, but I've never questioned whether or not that decision was the right one.

Nichols: Well, and a shout-out to our mutual friend, Jack Lannom. People first international, you guys are a people-first certified company right? If someone wants to know more about that, I'm sure you would be willing to talk to them about it.

Thom: Very much so. Jack was and has been a great friend and great partner to MiTek on our journey much of which took place prior to my being there but the spirit of continues and we really benefited from the people first thinking and the moving, the moving around that thinking to, again, see people as just created with great worth and it's been central to the development of our culture over the last decade.

Nichols: And anyone that I've ever talked to that has worked at MiTek loves the culture. I mean, it is a very unique culture. So talking about MiTek, MiTek is a global company. You have to 7000 employees. And we already talked about how when you came to STL in mergers and acquisitions, communication is so critical, right? And communicating the way is I think how you put it to the company that is being acquired. So we've talked about how important communication is. You guys are a huge company. How have you utilized yourself, how do you utilize technology to really get your message out there?

Thom: When I came in January of 2017, one of the things that struck me very early on, I would say within a matter of weeks, was that as someone who believed that you have to multiply your voice in any senior leadership role and your ability to do that and be very consistent on what you're communicating of course, be clear about it, but also the consistency is very important and in a large global company that relies on things other than being able to touch people every day, individually. So you have to rely on technology in today's day and age. I think one of the things that struck me coming back into a place like MiTek after having been away from a large global company for about 12 years, was how the tools had so accelerated in your ability to reach people. And so, I think within the first month or two, one of the things I remember having a meeting with our senior IT leader and sitting down and saying, we have got to get some form of telepresence in all of our global locations. I remember him saying, Mark, "what are you trying to achieve? And I said The first thing I'm trying to achieve is just the ability to very quickly reach out to any senior leader, regardless of where they're located.

We have operations all around the US, in Toronto, in other locations in Canada in eight or nine countries, in Europe, primarily headquartered in the UK, but all around Europe, in Australia, New Zealand, and in Vietnam, and so we started on a journey to begin to wire up our locations with high definition technology, the ability to push a button and immediately be in a conversation with our president of our Australia pacific region for example and to be able to do that in a way where it felt like we were sitting in the same room, also think just from an economy scale perspective, the tools that we have available and putting those to work the investment that you make is quickly surpassed by the return on investment just in your ability to communicate also things around travel, and that we just work in a different age today. So that's been a primary focus of ours. I think least I maybe mention to you know, we're trying to do things like a global town hall. And so what that means is we're trying to live stream every three to four months from multiple locations around our MiTek global community, and have that be very professional, highdef and speak to people in real time. So they get a consistency in messaging.

It's another way that we've made a significant amount of investment in even some of our back office engine as far as the use of Microsoft 0365 and teams and things like that have created a different level of collaboration. I have a forum called to ask me anything where every month we allow up to 250 people from around the world to sign up. I get on for an hour. They were able to see me where I'm sitting, usually in St. Louis occasionally do from other locations and then they'll just live stream questions and one after another. We're trying to answer as many as we can it's been a great way at a very grassroots level to engage with a lot of people. So all of those rely on not just the idea behind it, but the ability... execute it rely on technology. So I, it's been a big part of, I would say, not only reaching but in our case, because of the way that MiTek was built, which was a very acquisition-driven subsidiary model, our entire goal the last two and a half years for me the vision has been to have a single MiTek. A global company that provides a range of solutions to improve building for the purpose of transforming global communities. And so technology has been a big part of connecting, our family.

Nichols: Thank you so much for sharing that because we have to get on board with technology, it's not slowing down. We know that very well. Well, just a couple of other questions for you before we sign off here. You have a very big job, you also have six kids and a spouse. Can you give us any insights or any advice? How do you manage it all?

Thom: Like you, Lisa, I do for the reasons you said, I think just the nature of the work in the scope of it. And being a husband, my wife Kim and I are ready to celebrate our 28th anniversary next week, so that's a great blessing, to me very thankful for that. And of course, raising six children, and... And then like you, having other relationships with people that are important to me and some other things in the community that's so important. It's a lot to balance. I probably a few times a month sit down with people. And we talk about this, we talk about the discipline of protecting our... Yes, one of the things that happened for me in that transition from Tyco healthcare to a very different life where I had my own coaching practice was, we realized Kim and I, but also there was an accountability around this, there were not a lot of outside influences beyond the decision making that we had that could keep us from saying yes to what was absolutely most important.

It was both a blessing but it also was a great accountability because there were not all of these outside demands that we could blame on how we use our Yes, so I think one of the things that I share with people is that during the first few years away as we were settling into a different life, one of the things that we did is we first just did an accounting of what's the difference between what's absolutely best that really... We feel like is kind of legacy building versus so many things

that are not bad. I tell people it's usually not choosing between best and bad, it's usually between best and what's directionally good, and that's why it's so hard to do because most of what we do, and most of what I've seen other leaders that I'm close with wrestle to the ground is the issue that they have so many things in their life that directionally are good, and they can explain why it's plausible. They're investing time in. So it's very hard to parse that between what's absolutely the best and most important and we just came to a conviction that it was always going to be a very small number of things. We also came to a conviction that it would change over time so we needed to be vigilant about accounting for what those were in different seasons of our life, and we needed to then learn a discipline, and that discipline was to begin to become comfortable really saying no.

Nichols: It takes a lot of courage, doesn't it? Because you don't want to disappoint people.

Thom: You do and Lisa, I had a conversation yesterday had a young leader of ours who I saw at a meeting recently where I went and spoke out kind of in or MiTek world, then he came up to me and he said... Would you be willing to spend a little bit of time? I'm trying to continue to grow as a leader, and we schedule back home. He called me, lives in Indiana and we talked yesterday about this very topic he's a young father and I told him that if your goal is to not disappoint people, you're going to lose. Yeah, as a coach for many years with a lot of leaders, I would tell them, the first goal is to learn to say no. And the second goal is to be able to go home at night and not think about the fact that you said no.

The second one is the one that really produces freedom. There's a lot of grace in that, that you have to give yourself because the reality is that any time you have people around even really well intentioned, people who love you, they're going to be disappointed when their idea of what they need you to do. As I think that I just tell folks, the issue is not that you're going to disappoint people in life, the issue is: don't disappoint the wrong people.

Nichols: That's such great advice and you have to decide for yourself who are the right people who are the people that I unequivocally I will not disappoint.

Thom: Yeah, that's right. And to build some discipline and again that's something that from personal experience, it does take a lot of courage to do that and then become so convicted in that that all other things around your life, they orient back to that.

Nichols: Well, and I think too, when you are a person that is very thoughtful about the things that you do get involved in you may disappoint people, but I also think that they're encouraged by that and they're inspired by that sometimes because so many people have trouble with the prioritization in that... And so when they see someone that is principled like that it can also be a model for them. This is the way truly that you need to live because we can't be all things to all people that is for sure.

Thom: I had a pastor Lisa, who said to me more is caught than is taught and I couldn't agree more with what you just shared.

I tell people that, from a coaching perspective, and in leadership, the men and women that we're trying to shepherd and serve and support they need to see the things in our life that they themselves want to be able to practice. And so I tell people that in that coaching world, it was very important for the leaders there to see me to the best of my ability, and I would fail in that often but they needed to see the conviction about living out that balance, that willingness to withhold yes because they so needed that because they were also people that were in great demand.

In any time you have people that have been imbued with gifts and experiences, you will always have a world that highly values and desires wanting that. And it's not the world's problem to deal with that, it's our issue to deal with it, it's on our issue to be frustrated with people, it's just to recognize that and recognize that we're responsible ultimately for knowing what that is, and then in the building kind of a world and a life that revolves around that to the exclusion of a lot of other things. So I think that's really well said.

Nichols: One more thing I want to talk about before we sign off because it's something we're involved in, and I just wanted to personally thank you. We are bringing an IT leadership development program to STL. We're so excited about it. The first cohort, we've had so much interest that we're going to be running to simultaneous cohorts and we are partnering with someone else that's been a guest on the program. Dan Roberts owns Ouilletes and Associates out of New Hampshire. Dan and his company had been doing this for 35 years. This is not specific skills to IT, it's not learning how to program in Python, it's about these core competency skills like leading change. How do you lead change for IT people, how do you market the value of information technology to the rest of the business? How do you lead an IT team? So we're going to be bringing this to STL and we're so excited about it. And I just want to personally thank you Mark because MiTek was one of the first companies to say, we're in. And you put your hat

in the ring. And you guys have several participants and mentors that have signed up for the program, so thank you so much, but I want you to talk about why is that important? And I know that continuous improvement and learning being a lifelong learner is important to you. Why is it important for a leader to recognize that there are people in the organization if you want them to go to that next level that you have a responsibility in that too?

Thom: First off, just credit where credit is due. I had this conversation several weeks ago with one of our senior most IT leaders and I'm glad that they had the presence of mind to get us involved and saw great value in how this program could further equip a generational, leader who happens to be in a technology sphere of influence, but as we talked about earlier, they're a range of different skill sets and attributes and qualities and so we're excited about being a part of that. Thank you for having the courage to pioneer that. Why is it important? Continuous learning is the process of equipping leaders. If we believe that there's so little ultimately that you do here on the great we do a lot of things, but our influence it's always multiplied through other people. And we've talked a lot about courage today, but courage alone without equipping is not enough.

So I think the equipping component, and being willing to invest in people in areas where they have the opportunity to develop skills and attributes that armed with courage, become a really, really great combination in terms of the responsibility that they can take on how they can speak with excellence or expertise in particular areas like technology and the advancement of technology. So any organization that says that it's growing, and it's growing, people you have to do is look at their check book. I think that if they're investing in areas of ongoing development, real tangible programs that my sense is that's a company that really cares about making disciples making other people growing other leaders and recognizes that is how you exponentially expand the power of whatever business you might be in. And it's always through people and it's always through the equipping in different areas. So we're excited to have an opportunity to be a product. I'll be really excited to hear from our team. How they personally feel like they benefit from that to excited to hear about that. So thank you for letting us partner.

Nichols: So, Mark, do you have anything right now that's exciting, that's coming up or something you want to talk about that our listening audience may need to know about?

Thom: It's very specific to St. Louis about two years ago I just had a growing sense of conviction, I think in my heart. I'm not originally from St. Louis as I talked about, and while I have been blessed to get to know many people in St. Louis, I don't feel that I've been as plugged in to

some of the things in our community that are really challenging us. So one of those areas had really just been economically educationally, just different parts of the city, just trying to help advance that. I was approached about a project by Pastor Cannon his wife, Beverly Jenkins called the Springwood project, it is in Delwood. The idea here is to revitalize what has been for about 20 years now, sort of an abandoned Schnucks shopping center right on the edge of Ferguson.

The premise for it is, bring some sustainable business back into this particular shopping plaza. Things like educational support for single moms a type of incubator or training program to spark entrepreneurship in that area. Any manner of small businesses, and some other services, some theater and some different community things. And when I looked at that program and heard about, I felt that it was a way for me to tangibly get involved in that. It would strike at the heart of economic conditions, some sustainable things. It was very community-driven and so I've gotten involved there very excited about it and I would... We're looking for support. They're very close to having secured this plaza. There is funding that we need to continue to raise and if anybody is interested, they could contact me directly or I'm sure there're be number ways to reach out and find Pastor Ken, and Beverly Jenkins. And so that's something that's near and dear to my heart right now. So things like to share a little bit about that.

Nichols: Yes, well please do. If that resonates with your heart, please reach out. I know Ken and Beverly as well and they are dear people and they have conviction, and vision and vision for that whole area and perseverance, and it's right.

Well, Mark, thank you again so much for being on the show, it has been my pleasure to just spend this time with you, today, so thank you.