

The Comeback Kid

CHARLIE THOMAS

CEO of Razorsight

By Timothy Burn

When it comes to the full experience of American capitalism, Charlie Thomas can say, “Been there, done that, got the T-shirt.” Few among us have had the opportunity to escort our spouses in a private jet to Wall Street and the headquarters of Nasdaq to observe the company we built go public, with its opening share price multiplying by the hour.

More have experienced the sting of bankruptcy as Thomas did as the CEO of Net2000 Communications just a short time later. For Thomas, though, each experience both good and bad are valuable lessons learned, lessons that he has not only shared generously with the public but also used to inform his strategy as the CEO of Razorsight, a Fairfax, VA company that sells business intelligence software.

The name of the company is cool and descriptive, the result of one of the first major leadership decisions Thomas made when he took the reins of the company in February 2005, after about a year on the board. Razorsight’s impressive list of clients is what’s really getting the fast-growing company noticed. Founded five years ago by Sundeep Sanghavi, the company first tapped the telecommunications market for customers interested in software to help executives manage costs, quickly landing the likes of AT&T, Verizon, SBC, TMobile, Williams, Allegiance, New Edge Networks and US LEC.

Sanghavi sought out Thomas, who had spent three years since leaving Net2000 starting the boutique investment house Claris Capital, to help take his baby to the next level.

In a short time, Thomas has repositioned and rebranded the company – with the name Razorsight – to allow it to move beyond the telecom space into area such as retail, financial services, health care and manufacturing. Thomas was able to add to the growing list of big-name clients inking deals with General Motors and Comcast.

Thomas has shared what he has learned about leadership in a new book he authored titled, *Entrepreneur: A CEO’s Lessons in American Capitalism*.

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ness, and the best thing about that is that I have learned from each one,” says Thomas. “Hindsight is 20-20, and there are a lot of things we did right and some things we did wrong with Net2000.”

Some of the right: Unlike many other dot-com darlings of the turn of the Century, Thomas was able to bootstrap Net2000 financially for the company’s first five years. “We tend to get lumped into with other companies involved in the dot-com [collapse] but we were really a classic bootstrap success story.

Some of the wrong: Thomas concedes that Net2000 ran into trouble following its IPO that raised \$230 million for the company. Fairly quickly Net2000 found itself struggling under the weight of about \$300 million in debt.

There was a time frame between the IPO and the bankruptcy when smart people were telling Thomas and his executives that it was a good time to sell.

There were just as many smart folks telling him to hang on. Indeed, hindsight is 20-20.

A big takeaway from his experience with Net2000 has been to not only find and nurture the best people for his team, but also to aggressively weed out non-performers. Thomas also says there are no plans yet for an IPO for Razorsight. Right now, like many other companies with a good product to sell Razorsight is amping up its sales force and take steps to begin marketing overseas. •