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A panoramic view of the SRCtec manufacturing facility in North Syracuse. SRCtec, LLC is a subsidiary of SRC, Inc. which provides manufacturing and life cycle management for complex electro-mechanical products. Photo provided.

SRC's Steady Growth

Fueled by a series of million dollar contracts with the federal government and an increase in global sales, North Syracuse nonprofit continues steady growth

By Lou Sorendo

It's one thing to be producing cutting-edge technological solutions to solve challenging threats to the nation's defense and intelligence communities.

It's another to be applying it to defend the country's war fighters as well as overall security.

SRC, Inc., a nonprofit research and development corporation headquartered in North Syracuse, does just that.

Its research and development in radars and electronic warfare systems — including developing state-of-the-art counter unmanned aerial systems

(UAS) program — help to defend the nation's military and security.

SRC's major customers include all four major branches of the U.S. military, as well as the EPA and the intelligence community.

SRCTec, LLC, a subsidiary of SRC, was recently awarded a \$20 million contract by the U.S. Army to update technology to maintain its effectiveness against increasingly sophisticated electronic warfare threats.

Also, the Army awarded SRC a \$108 million contract to help it defeat enemy drones on the battlefield, marking one

of the company's single largest orders for the technology.

SRC's electronic systems, whether they be counter UAS, radar or electronic warfare systems, are in high demand, said Paul Tremont, chief executive officer of SRC.

"Our customers can't get enough of them, and can't get them fast enough," he said.

SRC does a significant amount of work with data analytics, a specialty that it has focused on for more than 50 years.

"We provide data analytics to provide intelligence to our war fighters



Paul Tremont, chief executive officer of SRC.

and airmen and their resources like aircraft to keep them safe from threats," Tremont said.

"We've been doing that for quite some time. We have a tremendous demand for that, and it has helped our growth. It has also helped our growth into Australia, Canada and the United Kingdom," he said.

SRC extended into the global market four years ago, and now international business represents about 10% of its activity.

Tremont predicts in five to six years, that percentage will grow to 20.

The company was formed by Syracuse University in 1957 as Syracuse University Research Corporation. It spun off from the university in the 1970s to become an independent organization known as the Syracuse Research Corporation.

In 2006, it formed SRCTec, LLC, a high-tech manufacturing subsidiary.

In 2009, it officially changed its name to SRC, Inc. Over the past decade, it has worked to bring innovative technologies to commercial and international markets by creating additional subsidiaries, including SRC Australia, SRC Canada and SRC UK.

In expansion mode

SRC recently broke ground on a 61,000-square-foot addition to its

SRCTec Cicero location.

Its building in Cicero will nearly double in size as a result of the addition.

The existing facility is 141,000 square feet and employs 200 workers. The facility is at 5801 E. Taft Road.

Demand is growing not only for the company's R&D capabilities, but also for the manufacturing of products designed for customers by SRCTec, LLC.

Tremont noted SRCTec only featured two products when the subsidiary was launched in 2006. Today, it is creating about a dozen products.

At that pace, it will be producing about 25 products five years from now, he said.

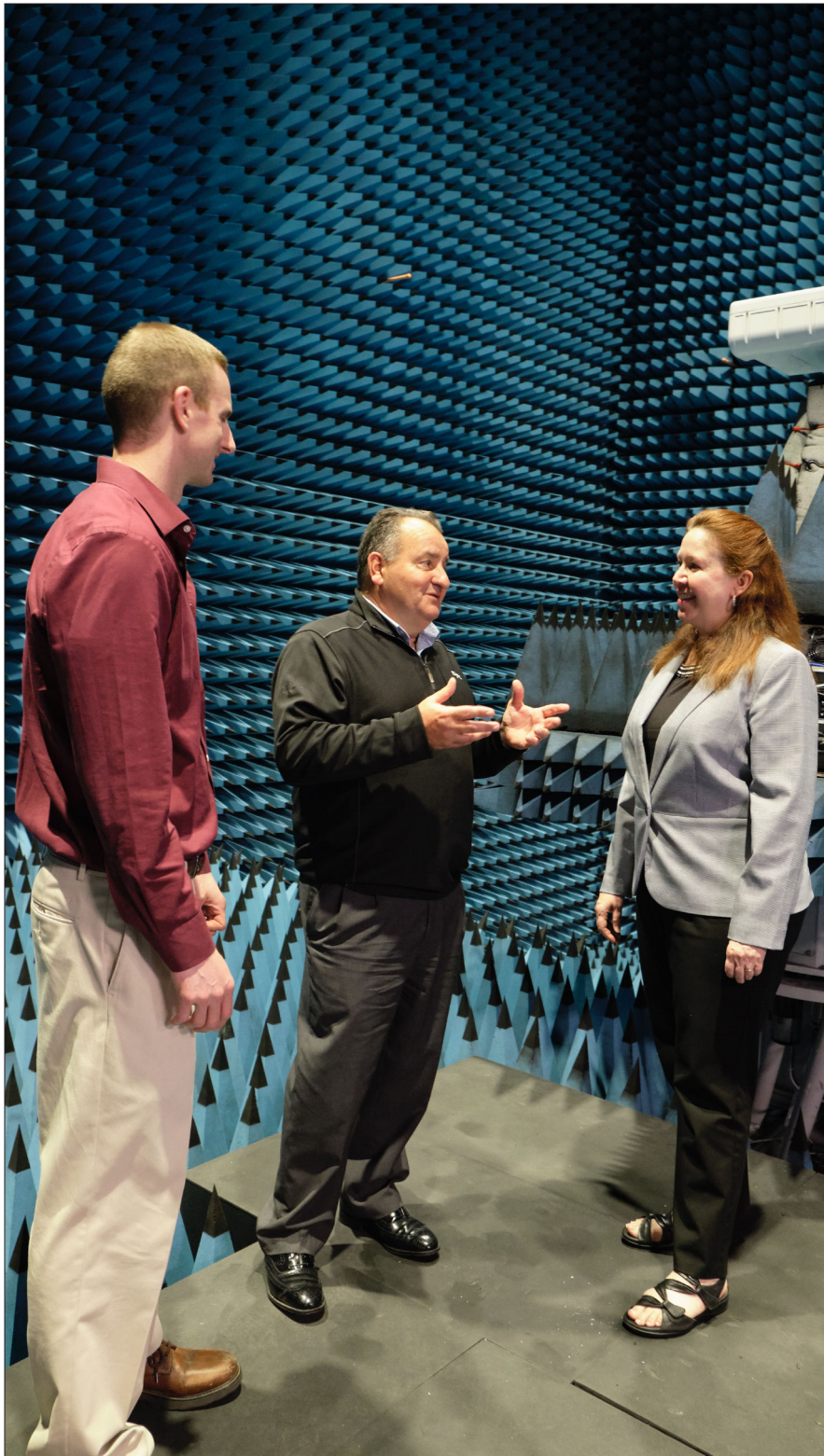
"There is greater demand for our products, and that is why we need more floor space," he noted.

Tremont said the shell of the addition should be in place by October and manufacturing in the new space will begin in early 2020.

SRCTec will be adding 130 high-tech manufacturing and related jobs as a result of the addition.

Tremont noted that job growth is expected to occur over a two- to three-year period.

In April, the company was in the midst of hiring about 60 additional quality, test and manufacturing engineers as well as assemblers. The balance of needed workers will be hired once the addition is complete.



Paul Tremont, SRC CEO (center), talking to employees Lance Bradstreet, engineer, and Susan Gallagher, program manager. They are meeting at the spherical near-field anechoic chamber. Designed to completely absorb reflections of both sound and electromagnetic waves, the anechoic chamber allows testing of radars and radio-frequency equipment. This chamber characterizes a wide variety of antenna systems and is specifically optimized to meet the accuracy, digital control interface, power, weight, and cooling requirements of modern active phased array radar systems. Photo: Chuck Wainwright.

nationwide.

Countering drone threats

Detecting and stopping unmanned aerial vehicles, or drones, is part of a major initiative for SRC, which has been in the anti-drone business for a while.

Tremont said SRC has been working in the counter UAS sector for more than 10 years. "That's even before a lot of companies that are in the market were even started," he said.

"Our major competitive edge in this area is that we start working on these challenges and problems that impact our national security before our military customers are even working on them," Tremont said. "We invest our own dollars back into the company to start solving these problems.

He said SRC has been delivering and deploying systems for military customers.

"They are doing the job protecting our war fighters, our airmen, and protecting sensitive locations against drone activity," he said.

Tremont said SRC's systems are being used in the field, which is why there is an upswing in manufacturing counter UAS products.

"We don't stop. We don't have a product and say, 'that's it. That's good forever.' We are continually enhancing those products and capabilities, because the threat doesn't stay still. Our adversaries are very smart also, and they know what technology is all about," he said.

Tremont noted in today's world, it's not difficult to acquire electronic equipment, assemble it and create a product.

"That's what our adversaries do. There's off-the-shelf stuff they can buy and cobble together. We always have to be prepared and stay one, two and three steps ahead of them," he added. "That's what SRC does."

He said SRC's systems will look totally different a year from now.

"Today, you can drive it up and use it. Tomorrow, it's going to be on the move and portable. It's going to be lighter weight, consume less power and have more capability. That's where we are going," Tremont said.

Life cycle management

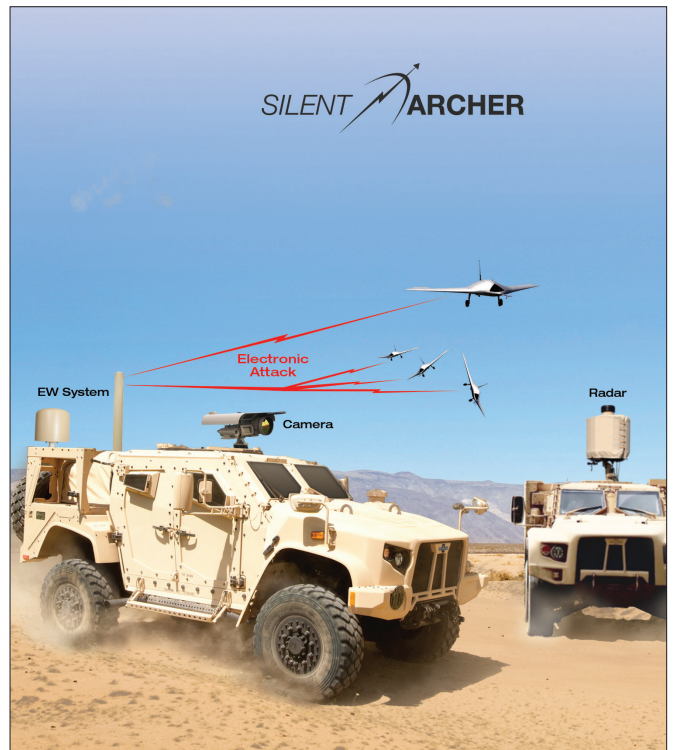
Characterizing SRC as a "very flexible and agile company," Tremont said the company delivers innovative solutions that meet threats, "and we do it in a very timely fashion."



SRC's SR Hawk radar providing coastal surveillance for port and harbor security. Photo provided.



SRC developed the AN/TPQ-50 counterfire radar for the U.S. Army. This radar provides early warning to soldiers of incoming mortar so they can seek shelter. More than 400 of these radars have been delivered to the Army and they have helped saved many lives. Photo provided.



An artistic rendering of SRC's Silent Archer counter-drone technology that can detect, track, identify and defeat hostile drones. Photo provided.

In addition, he said, SRC makes sure it supports its systems "150 percent" through its product life cycle management approach.

After delivering a product that meets requirements, SRC supports it by making sure the customer knows how to use it, and if they have any concerns or want changes, the company "steps up to the plate and helps make those changes," he said.

"Customers like our transparency, like our honest approach, and like the fact that we are not in it to make a buck. We are in it to provide solutions and to protect our national security, our fighters and our airmen," he said.

Tremont said all the work SRC does is sensitive, akin to what the government calls classified.

"We have to be very protective of not only what we provide to the mili-

tary, but our intellectual property that goes behind it," he said. "We get dinged just like any technology company from those adversaries and countries that want our trade and technology secrets. I call all the work we do very sensitive."

The challenge, Tremont said, is finding ways to protect information in this world of cyber threats.

"You can't pick up a paper or read an online article without seeing something about a cyber hack or phishing attack," Tremont said. "As a result, we have to educate our workforce all the time about being very careful. We have to have the best cyber tools around.

"It's very difficult, but something we have to do. Everyone who lives in this country has to protect themselves."

Philanthropic efforts

SRC has a significant economic

impact on CNY, Tremont noted, that extends beyond the obvious benefits of job creation.

"We are continually supporting Central New York communities, as well as other communities where we have our regional offices in," he said.

Tremont noted SRC has three focus areas when it comes to its philanthropic pursuits.

The first involved STEM, or curriculum that stresses science, technology, engineering and math.

"Our efforts with STEM is all about getting our future workers and leaders who are in kindergarten, grammar school, middle school and high school interested in STEM," he said.

SRC primarily focuses its STEM efforts on the less-fortune residents of the city of Syracuse and surrounding suburbs.

Not only does the company provide financial support, but it also creates activities such as inviting students to its facilities to show them what a STEM career is all about and what it can provide.

"We work with Syracuse University, the Manufacturers Association of Central New York, and the City of Syracuse School District to help promote this. It is a big team effort and we're glad to be part of the team," he said.

"We want to make sure we have a growing workforce to support not only what SRC does, but what the whole community does. That has a tremendous economic impact on the future," he added.

The second major focal point for giving is the military. SRC supports the Wounded Warrior program, Clear Path for Veterans, and Honor Flight, an organization dedicated to transporting for free as many U.S. military veterans as possible to Washington, D.C. to see memorials of the respective wars they fought in.

Its third main philanthropic focus is supporting the United Way of Central New York.

"There are a lot of nonprofit organizations that provide a tremendous amount of good for the less fortunate that serve as the backbone of our communities," Tremont said. "They are helping to raise the level of a lot of citizens in our community. The United Way makes sure it is funding organizations that have a sound plan and that do good work."

He noted SRC's employees personally contribute every year to the United Way campaign, and the company



Kevin Hair Named SRC's New CEO

The SRC Inc. board of trustees in March announced that President and CEO Paul Tremont will retire Jan. 31, 2020. The trustees have chosen Kevin Hair to succeed Tremont.

Since 1985, Tremont has played a critical role in the development and success of SRC. Under his leadership, the company expanded from 950 employees to more than 1,500, projected by the end of the year; revenue went from \$220 million to \$365 million; and SRC significantly increased partnerships with community organizations.

Hair already assumed the role of president in March and will assume

the additional CEO responsibilities on Feb. 1, 2020. Tremont and Hair will work closely together, with the board, and the entire SRC team to ensure a successful transfer of leadership responsibilities.

"Kevin is uniquely qualified and well-positioned to lead SRC to continued success," said Don Kerrick, chairman of the SRC board of trustees. "He brings great dedication, passion and motivation to his new duties. His 33 years of service as COO and in various divisions and functions, gives him the insight needed to lead the company to the next level — elevating SRC's reputation for solving problems of national and international significance."

Hair has been with the company for more than three decades, in roles of increasing responsibility. Most recently, he was the chief operating officer and before that, the executive vice president of corporate business development and government affairs.

He has a bachelor's degree in electrical engineering from Boston University and a master's degree in computer engineering from Syracuse University. He is a member of the Armed Forces Communications and Electronics Association (AFCEA), Association of Old Crows (AOC), the Association of the United States Army (AUSA) and the Intelligence and National Security Alliance (INSA).

Hair currently serves on the United Way of CNY and the First Tee board of directors and is very involved in the community.

matches what they donate. In 2018, SRC and its employees contributed \$560,000 to the United Way.

SEC also helps organizations such as CenterState CEO and MACNY by sharing its marketing and business expertise, thereby fostering a better foundation for economic growth in Central New York.

During Tremont's tenure at SRC, he and staff have discussed going public or becoming employee-owned versus

its nonprofit status.

"The tremendous advantage of being a nonprofit for me is that we can be focused on the right things and what is important, and that is accomplishing our mission and not the bottom line. We're not focused on the bottom line; we earn profits, but we focus on our mission, which is to provide innovative solutions to help keep America and its allies safe and strong."

Tremont said everything SRC does

is focused on that.

"I believe if we were an employee-owned or for-profit, we'd be more focused on how we are creating value for individual employees or for shareholders and stockholders. We want to create value for the corporation and its customers not based on what a share is equal to, but for sustaining jobs and growth here at SRC," he said.

SRC Walks the Talk

Nonprofit R&D corporation recognized as 'best company to work for,' awarded for innovation

By Lou Sorendo

SRC, Inc. Chief Executive Officer Paul Tremont said his company is "modest" when it comes to touting its own accomplishments.

However, it is hard not to notice how the Syracuse-based company is being recognized for excellence on several different levels.

SRC is a nonprofit research-and-development corporation that primarily develops products for the military, particularly counter unmanned aerial vehicles systems.

Best Companies Group recently named SRC as a "Best Company to Work For."

"It's great that we made that list, but more importantly, it is a tremendous vehicle for us to use to be able to survey our employees and ask them questions about how we can be a better place to work," Tremont said.

Information from employees is used to create initiatives toward further improvement, he added.

"We take it to heart. What we do with that information is analyze it, and then we go back and tell employees what we learned. We then pick one or two areas that we work on to improve," he said.

That's what makes employees excited about the survey, Tremont said.

"They can see us doing something with the data, and they can see the improvements that we make. That's why SRC is such a great place to work," he said.

Tremont said the company makes an effort to sift through bureaucratic

red tape.

"We are very transparent, and are always communicating with our employees. We tell them when we make a decision and why we make a decision. They may not agree with that decision, but at least we are telling them about it. I think that's what they love," Tremont said.

The company leader said SRC is continually giving back to the community, "and most employees really cherish that.

"It's more than all about work and innovation. It's helping the community. It's also taking a look at the work-life balance of each employee. We care about them," he said. "We live by the values that we say are important to us. We walk the talk, which is very important. Everybody at SRC demonstrates that."

Tremont said it is not uncommon to see employees flashing smiles.

"I've been here for almost 35 years, and I've had customers from all over the globe come up to me and comment, 'This must really be a great place to work. Everybody has a smile on their face and is cheery.'"

"They make the place look great, and everybody feels as if they have a say in what we do, how we do it and how we present ourselves," Tremont added.

Salute to innovation

SRC has received the U.S. Army's Top 10 Inventions Award three times since 2004.

"It's a testament to the innovation that we do," said Tremont, noting that there are not a lot of competitors that receive that recognition.

"It's a testament to our capabilities to be very innovative," he said. "Innovation is more than developing technology; it's about developing solutions that deliver and that protect our country against the threats that we face.

"These awards prove that we are very good at what we do."

SRC has also been awarded numerous patents and have many other patent-pending technologies.

"We always have to stay a step ahead or two. What it takes to do that is investment and focus," Tremont said.

"You just don't want to develop technology for technology's sake. You have to know what the requirements are from customers, and what those future threats are. Then you have to ask, 'How can we do it differently?'"

"You don't have to develop technology from scratch, but what you need to do is apply that technology to solve problems, and you get patents for that and we have many," Tremont said.

He said acquiring a patent is difficult and time-consuming.

"But what is exciting is how our employees embrace the fact that we have this patent capability and we take pride in that," Tremont said. "It's great to say we are doing something a little different and let's protect it.

"To me, that's the value of patents."

For Tremont, that's a win for SRC, because his company has some "secret sauce."

"It's also a win for our customers because we are always trying to improve how we deliver and what we deliver, and it's a win for our staff because it's motivation to say, 'Hey, look at what I've done that know no one else has done.' Patents are a win for everybody," he said.