

PROFILE

Diane Smith of Runners, Inc.



What do pie-making, selling peanuts and a woman-owned courier/trucking company have in common?

The answer is Diane Smith, the petite entrepreneurial owner and co-founder of Runners, Inc., a courier and trucking company located in Gaithersburg, Maryland. Diane and her husband, Thor, have been supplying the Baltimore and Washington, DC metropolitan area with courier, trucking, freight, custom services, warehousing, storage and other premium package services since 1987. Diane quickly learned the full-meaning of the term “multi-tasking,” when their son Drew was born while starting a fledgling courier business out of a garage in 1986. Initially, Runners, Inc. achieved \$30,000 in revenue and through persistence and hard work grew to become a company worth noticing producing over \$3.1 million in revenue as of year-end 2005.



Currently, Runners, Inc. has over 500 active customers and 4,000 accounts in their company database all obtained primarily through referrals from satisfied customers. A majority of their loyal customers include the medical community (hospitals and labs) where on any given day, drivers rush around the DC Beltway transporting critical blood products, medical specimens on dry ice and other hospital and medical items. Other customers include graphic media firms, advertising and printing companies, service firms and retail companies who also depend on timely response to meet their customer's demands. Runners' Federal government customers include government subcontractors who require attention to detail and the ability to navigate through a maze of security checkpoints while ensuring tight delivery schedules are met.

Supporting all this activity is a staff that includes a mix of 11 full-time and part-time employees and a pool of 65 independent subcontract drivers. Under Diane's leadership, vision and willingness to take risks, electronic customer invoicing was successfully introduced over a six-month implementation period — a daring step that many larger companies hesitate to take! Convincing customers to accept electronic invoices required strategic planning, timely communication, frequent reminders and a realization that not all customers would accept electronic billing. The start-up process was labor intensive and maintaining a database of accurate email addresses was essential for success. Since implementing online billing in October 2005, over 75% of Runners customers now receive their invoices by email — drastically reducing overhead by eliminating associated administrative costs. Runners relies on Datatrac/COPS software to manage customer account information, service delivery details, billing, revenue and dispatching.

Diane's entrepreneurial spirit started at a very young age when she discovered that excellent customer service and dogged determination resulted in success. Her first experience in sales was as a teenager when she was dropped off in the RFK Stadium parking lot in Washington, DC, armed with a money belt and a sack full of bagged peanuts to sell to the football

and baseball fans. The next minute, Diane felt like a herd of buffalo were stampeding directly at her as she stood there not knowing what to do. Once in a while someone would stop and buy a bag of peanuts and she quickly learned that in order to sell anything, you needed to communicate. Simply yelling, "Peanuts here!" produced better results and she discovered that by being friendly, polite and aggressive, sales increased. It was an incredible learning experience for an inexperienced young teenager. By the time Diane was old enough to work in a steady job, she had already developed key interpersonal skills for approaching strangers and most importantly, how to provide excellent customer service. In the restaurant business, her customer service skills were honed even more since earnings are entirely based on level of service. Anything added to the customer experience would increase sales. Diane's common sense, creativity and outgoing personality resulted in repeat customers at Danker's Restaurant in Washington, DC. Her eagerness to do more and her culinary skills led to the creation of Di's Pies, which she sold at the restaurant to appreciative customers. She gained additional business experience in a variety of jobs: from the now closed Hecht Company where she worked in security and at Safeway where she first learned the basics of business operations and accounting.

Diane's passion to identify service needs and take advantage of business opportunities led Runners to the creation of quality custom services. Not content to just provide routine courier, trucking and warehousing services, Runners also offers their customers unique services that are limited only by customer creativity. In addition to providing scheduled and on-demand courier or trucking services, on any given day you can also find them supporting "pick-and-pack" custom services from their climate controlled warehouse or assembling an outdoor grill prior to delivery from a retail customer. One memorable delivery involved a 40 year love affair by a woman in London, England who used Runners' courier services to locate and deliver a letter to her "first love" living in Waldorf, Maryland. Runners,

Runners, Inc. profile continues on page 20

Written by Susan Cottrell, Business Development Analyst for Runners, Inc.

Runners, Inc. profile continued from page 19

Inc. is not just a courier and trucking company...they are a service resource to their customers.

Doing business in the Washington, DC metropolitan area also provided a wealth of opportunity in the area of government contracts since the Federal government is required to use small business whenever possible to meet goals set by law. Runners, Inc. knows from firsthand experience that obtaining a contract with the government can be extremely profitable if you start with a firm foundation and are prepared to do business with the government.



One memorable delivery involved a 40 year love affair by a woman in London, England who used Runners' courier services to locate and deliver a letter to her "first love" living in Waldorf, Maryland.

Navigating through the contract requirements are not for the faint of heart and Diane learned that the United States Small Business Administration (<http://www.sba.gov>) is an excellent resource for small business and contain information about how to sell a product or service to the Federal government. Since procurement by the Federal government is carried out on a decentralized basis, it's important to directly contact the government procuring activities responsible for buying products or services. Locating Federal business opportunities can be as simple as searching FedBizOpps (<http://www.fedbizopps.gov>) on a daily basis. It's important to note that FedBizOpps is the single government point-of-entry (GPE) for Federal government procurement opportunities over \$25,000. Government buyers are able to publicize their business opportunities by posting information directly to FedBizOpps via the Internet. Through one portal, commercial vendors seeking Federal markets for their products and services can search, monitor and retrieve opportunities solicited by the entire Federal contracting community.

When doing business with the Federal government, it's also important to obtain certain required government certifications that may include:

- Central Contractor Certification (CCS) (<http://www.ccr.gov>) Central Contractor Registration (CCR) is the primary vendor database for the U.S. Federal Government. CCR collects, validates, stores, and disseminates data in support of agency acquisition missions. Both current and potential federal government vendors are required to register in CCR in order to be awarded contracts by the federal government. Vendors

are required to complete a one-time registration to provide basic information relevant to procurement and financial transactions. Vendors must update or renew their registration at least once per year to maintain an active status. CCR validates the vendor information and electronically shares the secure and encrypted data with the federal agencies finance offices to facilitate paperless payments through electronic funds transfer (EFT). Additionally, CCR shares the data with federal government procurement and electronic business systems.

- Taxpayer Identification Number (TIN) (<http://www.irs.gov>)
- GSA Schedule (<http://www.gsa.gov>) Under the GSA Schedules (also referred to as Multiple Award Schedules and Federal Supply Schedules) Program, GSA establishes long-term government-wide contracts with commercial firms to provide access to over 10 million commercial supplies and services that can be ordered directly from GSA Schedule contractors or through the GSA Advantage!® online shopping and ordering system.
- Certification as a small business through the United States Small Business Administration.

Diane's "bootstrap" beginnings selling peanuts and pies provided her with invaluable hands-on experience, basic skills and fueled her determination to succeed in an industry few women select. When Diane and Thor Smith first started their courier business, Thor was in a local band and his demanding "gig" schedules gave Diane an opportunity to establish the leadership and direction for their emerging small business. Today Thor provides Runners, Inc. with technical courier expertise and is still pursuing his love of music as a drummer in an up and coming alt-county band, LeavingTX (<http://www.leavingtx.com>). You can find Diane planning new directions for Runners, Inc. and perhaps another Marine Corps Marathon. Runners' brand-new website (<http://www.runnersinc.com>) summarizes their philosophy... "Consider it done!" **MCW**