

Thursday, May 9, 2019

## Business leaders weigh in on outlook for coming year

By: Rochester Business Journal Staff | December 20, 2017

The Rochester Business Journal's Forecast: 2018 survey asked local businesses about their prospects for the coming year and received a variety of responses.

Survey participants were asked to describe their outlook for their business over the next 12 months, including the biggest opportunity and challenge their business would face in 2018.

Their responses appear below.

### **Thomas Camiolo**

**President and CEO; vice president, sales**

**Greece Agency Inc. & Greece Professional Building Inc.**

**Outlook for your company:** Growth is limited by the ability to adapt to an ever-changing communications environment. We must move more quickly and with less stress or hassle for the consumer while creating a cybersafe transaction environment. Face to face may be the most secure but it is difficult to be able to provide the time available to carry out a transaction.

**Biggest challenge:** A remote secure transactional environment.

**Biggest opportunity:** Millennial sales and growth of unique products and services to meet their ever-changing needs.

**Michael Charland**



**President**

**Liebel & Merle Sales Inc.**

**Outlook for your company:** We are manufacturers' sales representatives, and the business forecast looks good outside of New York State.

**Biggest challenge:** Declining customer base in New York State due to manufacturers relocating. Taxes are too high in New York.

**Biggest opportunity:** Capturing new business with industrial accounts that we anticipate will have more capital to spend due to the expected revised federal tax code.

**David Henderson**

**CEO, founder**

**New Scale Technologies Inc.**

**Outlook for your company:** We anticipate overall modest growth with continued profitability. We are investing in new product development for automation markets and anticipate strong growth in the second half of 2018.

**Biggest challenge:** Growing orders from existing OEM customers, finding new OEM customers, improving gross margin, finishing our new product development on schedule and entering a new market.

**Biggest opportunity:** Selling products into the industrial automation market which is growing very fast.

**Timothy Maher**

**President**

**Apparel Printers Plus**

**Outlook for your company:** As long as the economy stays the same we will show 15 to 20 percent growth. The growth will be driven through new business development and acquisitions.

**Biggest challenge:** Keeping our customers focused on business and less on the horseplay in politics and the media.

**Biggest opportunity:** A new product line launch that we have been developing over the last 24 months. We plan on marketing it at the beginning of the second quarter.

**Brad VanAuken**

**President**

**BrandForward Inc.**

**Outlook for your company:** We are experiencing a particularly strong December and our sales funnel is full going into 2018, with above average business in January. We expect a revenue increase of between 20 percent and 30 percent in 2018 over 2017.

**Biggest challenge:** Adapting to new income tax rules in 2018. Understanding how they will affect our business.

**Biggest opportunity:** Increased competition and marketplace uncertainty always leads to brand strategy projects.

**Brian Cieslinski**

**Senior principal**

**SEI Design Group**

**Outlook for your company:** Our general trend is looking quite positive: more RFPs on the street and current clients considering more work than in the past.

**Biggest challenge:** Decisions on the tax relief changes

**Biggest opportunity:** Increasing our firm size into new regions

**Diane Romano**



**Officer**

**Romold Inc.**

**Outlook for your company:** Positive outlook for high-tech manufacturing, booked through first quarter, increased employment by 15 percent and additional new equipment and space.

**Biggest challenge:** Finding employees with the right skills for high-tech manufacturing

**Biggest opportunity:** New machining methods will optimize our bandwidth.

**Fritz Ruebeck**

**CEO**

**Classic Automation LLC**

**Outlook for your company:** At Classic Automation, we anticipate increased sales in 2018 based on strong economic conditions both internationally and domestically. With sales to over 80 countries, we are not dependent on any one economy for business.

**Biggest challenge:** We continue to struggle with finding local qualified candidates to hire. Skilled electronics technicians are in high demand in the Rochester area.

**Biggest opportunity:** In 2018 Classic Automation is introducing a wider range of systems' parts and services to meet the growing and ever-shifting demands of our customers. We help keep the world's production running.

**Peter Messner**

**Owner**

**Messner Flooring**

**Outlook for your company:** We believe that 2018 will be a strong year. The consumer confidence seems to be going in the right direction and consumers seem to have money to invest in their homes.



**Biggest challenge:** Enough labor to complete projects.

**Biggest opportunity:** The market seems to be cleansing itself of the poor performing retailers which will result in less competition.

**Eric Leinberg**

**President**

**InfoPreserve Inc.**

**Outlook for your company:** Expect growth of sales which will require additional staffing.

**Biggest challenge:** Hiring qualified development and sales resources

**Biggest opportunity:** Expanding into new markets

**David Ward**

**CEO**

**Strategic Solutions Advisors LLC**

**Outlook for your company:** No change from 2017

**Biggest challenge:** Client identification

**Biggest opportunity:** Market uncertainty

**Peter Brizee**

## **Principal broker and owner**

### **T Peter Brizee Realtors**

**Outlook for your company:** Recruitment of experienced personnel will be difficult. Despite tight residential inventory, prices will stagnate except within very narrow boundaries. Residential rents will rise in general. Office and retail prices/rents will also stagnate or decline.

**Biggest challenge:** The current administration.

**Biggest opportunity:** Declining income will drive competitors from the industry.

## **Steven Ostertag**

### **Vice president sales and manufacturing**

#### **Jtekt Torsen North America Inc.**

**Outlook for your company:** For 2018 the U.S. market will see a slight softening of sedan and light truck vehicle sales. At JTRNA we will see an increase in product deliveries to our domestic automotive OE customers.

**Biggest challenge:** Nationally and locally the lack of a qualified workforce to draw employees from will continue to dampen growth in manufacturing and product sales.

**Biggest opportunity:** Increase factory floor automation to compensate for the lack of qualified and employable worker candidates.

## **Jeff Levinson**

### **Owner**

#### **Midland Management LLC**

**Outlook for your company:** Same apartment occupancies we had in 2017 for 2018.

**Biggest challenge:** Material prices going up and taxes.

**Biggest opportunity:** Moving our property management software to a cloud-based fully integrated program.



**Joseph DePaolis**

**President**

**Consultative Services**

**Outlook for your company:** Measured incrementally positive. Of course North Korea and the ongoing Russian investigations will play a huge part.

**Michael Haymes**

**Associate broker**

**REMAX/realty group**

**Outlook for your company:** This coming year will be telling. We have had a very active, successful real estate market in the Rochester area in '17. The market will be dependent on the proposed new tax laws.

**Biggest challenge:** The new tax reform will be one of the biggest challenges ahead for next year; also, the amount of inventory in our market.

**Biggest opportunity:** Potential growth in both the residential and the commercial markets here in upstate New York

**Donald Chesworth**

**Managing partner**

**Harris, Chesworth, Johnstone & Welch LLP**

**Outlook for your company:** The demand for legal services is stagnant and it does not appear that there will be any increase. There are more lawyers entering the market and less work to be shared by all.

**Biggest challenge:** Business is leaving New York at an alarming rate due to the large state tax burden and state regulations. This decreases the demand for legal services. The state of New York is one of the least friendly for business and we are all paying the price. ^

**Biggest opportunity:** We will become more efficient with the added use of technology but our dependence on staff will also be decreased.

**Charlie Riley**

**Director of marketing and communications**

**Lawley**

**Outlook for your company:** In flux. There is a lot of technology implementation trying to disrupt the industry, so it will be interesting to watch old and new ideas merge.

**Biggest challenge:** Staying on top of regulatory changes.

**Biggest opportunity:** By differentiating ourselves with the added value we offer to customers.

**Ray Isaac**

**President and CEO**

**Isaac Heating and Air Conditioning Inc.**

**Outlook for your company:** We see a continuation of steady growth (8 to 10 percent) into the 2018-19 fiscal year. This will not be automatic but must be earned through strategic positioning and messaging.

**Biggest challenge:** Finding enough qualified individuals with a great attitude and the ability to perform.

**Biggest opportunity:** Our competitors facing the same labor challenge, and our ability to outperform them in creating a supply of individuals.



**Victor Salerno**

**CEO**



**O'Connell Electric Company Inc.**

**Outlook for your company:** We are very confident that we will be setting new records for sales and profits in the coming year.

**Biggest challenge:** Continuing to find quality employees as we grow our company. This is especially important with our baby boomers approaching retirement.

**Biggest opportunity:** There are many projects that we will be going after that should give us wonderful opportunities for us to continue to grow and prosper.

**Chris Adams**

**Vice president – finance**

**Canfield & Tack Inc.**

**Outlook for your company:** I believe our revenues will stay flat, but we are in a better position in terms of our debt that I think we can improve on our bottom line

**Biggest challenge:** The biggest challenge for us every year is managing through ebbs and flows of our industry. We struggle in terms of headcount to ensure we can manage our busy months, but not so much that we are overstaffed in the slow ones.

**Biggest opportunity:** Bolstering our portfolio of customers for collateral management

**Bill Wayne**

**Project executive**

**DiMarco Group**

**Outlook for your company:** Continuing to grow. 2018 is looking better and better.

**Biggest challenge:** The appropriately trained labor force

**Biggest opportunity:** To capitalize on the business growth and expansion throughout our Finger Lakes region and the greater Northeast

**David Lovenheim**

**CEO**

**Vital Motion Inc.**

**Outlook for your company:** Our business, an early stage medical device firm, will turn profitable early in 2018 and our sales will grow at least by 300 percent.

**Biggest challenge:** Identifying and transitioning to a qualified, cost effective OEM manufacturing source, and successfully concluding our current round of equity investment.

**Biggest opportunity:** Growing our marketing program to meet the size and scale of our markets and launching our second product.

**David DeMallie**

**President**

**Imco Inc.**

**Outlook for your company:** Working through the challenges of a less than motivated generation of youth to build tomorrow's workforce.

**Biggest challenge:** Finding motivated people to work.

**Biggest opportunity:** Apprenticeship programs from Rochester Technology and Manufacturing Association and local community colleges.

**Sitima Fowler**

**co-CEO**

**Capstone IT**

**Outlook for your company:** We are expecting to grow double digits in 2018. We are expanding our services to additional cities.

**Biggest challenge:** Getting new clients in Rochester requires more effort than cities where the economy is booming. That means we have to double down on our marketing and new client acquisition efforts. In addition, finding great talent has also gotten harder.

**Biggest opportunity:** Cybersecurity services to protect small businesses' identities as well as data loss is growing. The proliferation of the bad guys stealing credentials and data has made it necessary for businesses to put in more security services.

**Pauline Malone**

**Vice president, procurement**

**Klein Steel Service**

**Outlook for your company:** 2018 will be slightly more robust than 2017

**Biggest challenge:** Trucking

**Biggest opportunity:** Helping customers compete globally

**Susan Barnes**

**Chief financial officer**

**CGR**



**Outlook for your company:** Cautiously optimistic

**Biggest challenge:** Competing in an increasingly competitive marketplace

**Biggest opportunity:** Growth of the CGR Community Profile product



**William Cox**

**President and CEO**

**Marktec Products Inc.**

**Outlook for your company:** Excellent! We forecast 25 percent growth. We hired an additional field sales person and a marketing assistant to target market-specific industries that use our equipment.

**Biggest challenge:** Being responsive to customer needs quickly, providing value beyond equipment pricing, and providing fast response to requests for technical service for the equipment we offer

**Biggest opportunity:** Providing new product line offerings to existing customers and entering new markets with this equipment

**Tom Wahl**

**Senior vice president**

**RBC Wealth Management**

**Outlook for your company:** Business will be fine, especially with pending new tax cuts. Bigger concern for high-tax states is the effect on deductions for state and local taxes. Wealthy folks will leave town!

**Biggest challenge:** Taking care of new taxation concerns

**Biggest opportunity:** Taking care of taxation concerns

## **Craig Barber**

### **Senior vice president and chief operating officer**

#### **Allpro Parking LLC**

**Outlook for your company:** Our business will largely be neutral in 2018. Any benefit from modest pricing or volume changes will be usurped by state wage rate hikes and other state regulations.

**Biggest challenge:** New business development in the Rochester market is not trending favorably. Little opportunity for expansion

**Biggest opportunity:** Downtown housing development and other development projects if they come to fruition

## **Gene Tonucci**

### **President and CEO**

#### **Allen-Bailey Tag & Label Inc.**

**Outlook for your company:** Optimistic: ending 2017 on a positive note and see that continuing in 2018. We continue to make investments in equipment and technology as well as people.

**Biggest challenge:** No. 1 challenge: finding qualified candidates for open positions— starting to see retirements. Knowledge-base transfer from older employees to newer employees is very slow.

**Biggest opportunity:** Completing an acquisition successfully.



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