Rob Quartel

A Governance to Make an Impact

There is a sense of familial significance as Rob Quartel traces the outline of the large Huguenot Bible from the 1600s with its worn sheepskin cover, and he is reminded of the many generations that held it. "This Bible was willed down to me as the oldest child in my generation on my mother's side," Rob explains. "It's ironic because I'm not a shred religious, but this Bible and two others from the English side hold a lot of the family history." Rob explains that his family lineage can be traced back to the founding of

Richmond, Virginia, St. John's Church of Patrick Henry fame, and its maritime roots down through to the old Rocketts Landing where the family had ships and wharves in the 18th centure. For Rob, this Bible is an important connection to his family roots and the supportive nature of his parents and family while he was growing up. He says, "My mother and father did everything to ensure that my brother and I had everything we needed."

Rob reflects on a time as a young man that he sat next to his maternal grandmother during a

warm summer day sorting through family photographs, identifying each family member. "We looked at the faces and my grandmother, who was a big influence in my life, told me what she recalled about each person," he says. "I'm probably the only person in my family who can identify everyone from 150 years ago." Along with the Bible, Rob has early 19th century guns and a collection of coins and paper money dating back to the Civil and Revolutionary Wars that was passed down through the years.

Rob's interest in learning about people continues to drive him today. "I like meeting new people and I like being the guy carrying a message about something that's important," Rob says. "I really haven't worked directly for anyone since I was 27 years old and have made a living out of

engaging with people and ideas." Rob explains that when he was the Federal Maritime Commissioner, he liked to jump off the dais to walk around the audience and meet the people who had come to hear him. "Most," he says, "had never met the guy who governed their industry, so it was a big deal for them, and of course I learned a lot about the industry that way too, and while my predecessors and the Commission itself were largely industry focused, I decided to figure out how to use the position to help the American

consumer." That, he says, got him plenty of hot water with the industry and the maritime labor unions, a fight which he relished. Today, as the Executive Chairman and Founder of NTELX, Rob is still passionate about the notion that one person can make a difference. "For me, the common theme in business is that what I am doing should have an impact," Rob says.

In 1999, while having lunch with a long-time friend and serial entrepreneur, Rob noted that the maritime industry would be falling behind the trucking and other

transportation industries as the market saw an increase in electronic information technologies. Rob quickly embraced the idea of making an impact for consumers in the maritime logistics industry and took a risk by leaving everything behind to focus on what this company could be.

In the early days of the internet (the "dotcom" era), many of the B2B companies focused on disintermediating the middle man, that is, removing indirect costs. Rob explains that international trade is very complex, with literally dozens of involved parties and hundreds of transactional details. Freight forwarders – the transportation middle man – handled all of the transactions between the parties, arranging transportation, handling financial transfers, dealing with customs, and ensuring that trades



went smoothly. Technology was leaving the forwarders behind dealing with paper documentation. Rob explains, "Our theory was that instead of disintermediating the middle man in international trade, we were going to reintermediate him and give him technology to have a higher profit." The company launched as FreightDesk.com and aimed its technology at large consumer companies, such as Walmart.

On September 11, 2001 Rob got off the plane in a forced landing in Chicago to the terrifying news from New York and Washington, D.C. Days later, on his return to Washington, Rob awoke in the middle of the night to another frightening realization. "I began thinking about how easy it would be for someone to weaponize a container coming into the U.S. through cargo ships." Because of his time as Maritime Commissioner, Rob knew that the cargo containers were inspected through largely manual checks. "With over 40 million containers coming to the U.S. it became clear that we couldn't physically inspect each one without shutting down trade, so if someone had inserted a weapon it left us vulnerable to an attack."

Rob spent the night thinking through the solution. His conclusion was that the government could re-purpose his data model to marry the transactions on the commercial side with the government compliance data and then apply analysis to better determine the abnormalities that suggested high risk cargos for detailed inspection. A colleague from the Army Science Board connected him and his team with the National Defense University, which convened a group of the "3-letter agencies," Customs, State and the Coast Guard. They reached a consensus on the likely threat and approach. Weeks later, an analyst from Naval Intelligence heard Rob speak about the and asked him to help them implement it in the public arena. "That was a pivotal point for the company because it was a paradigm that had never been thought of before," Rob says. "It's the insight I'm most proud of and it came about because I was able to think nontraditionally about the problem and the data and to use psychological perspectives to improve global maritime security."

In 2010, the company rebranded with the name NTELX as the company began to expand beyond freight analytics. Rob explains that historically the company has focused on providing automated decision support systems that use data

analytics to determine risk, followed by executing a solution to address those risks. The U.S. Food and Drug Administration's PREDICT – built by NTELX -- automates a big piece of what used to be entirely human systems to accurately screen over forty million imports of food, drugs, and medical devices to the U.S. every year.

Fifteen years ago, Rob explains that NTELX separately began similar projects on the transportation side in Jordan, managing the flow of trucks based on their algorithms and technology, eventually expanding to Iraq and now likely beyond. That group was spun out as NX International three years ago and has an entirely separate management team and is headquartered in the Middle East in Amman, Jordan. More recently, NTELX decided to pivot towards the private sector, productizing its technology into a new Interactive Decision Management and Execution platform (iDMX), which is already being used to promote the use of interactive digital assessments in environmental and energy compliance, solar energy diligence, and in other areas to be launched soon.

Rob's parents met while attending Virginia Tech University (then VPI). "My mother was one of the first women to attend VPI and was studying Chemistry, but dropped out just before graduating to start a family," Rob says. His father was studying Engineering at Virginia Tech when he was called to serve as a pilot in the Army Air Corps during World War II. "It took my father almost 11 years to complete college. He was studying at Virginia Tech and was called to serve in Berlin, then would return to school and was called twice for the Korean War," Rob explains. Once he graduated, Rob's father obtained a job working for Lockheed. "My parents were risk takers in their own way. They were raised on the east coast but were willing to head off to Texas and Kansas for new adventures, and they raised both me and my brother to be independent, which is what I attribute to my being an entrepreneur today."

Like his ancestors before him, Rob was born in Richmond, Virginia. His parents were living in Waco during the Korean War and nearing the end of her pregnancy his mother flew to Virginia so that Rob could continue the tradition of seven generations born on Virginia soil. When his own wife was pregnant years later and could not be in Virginia for the birth, he scooped up soil

from Virginia in a jar and gave it to the doctor to place under the delivery bed so that his children were born over Virginia soil. Laughing Rob explains, "The doctor exclaimed that he '...understood completely, I'm from Richmond too!'."

During his first grade year, Rob, his parents, and younger brother moved to Orlando, Florida, for his father's job. Orlando was a relatively small town of 30,000 until the space industry and later Disney World became focal points for the area. "Although it was a small town, the schools were really good because of the influx of families relocating to the area for the space program," Rob says, "So I had a great public education and did well in school." Rob's parents were actively engaged in his young life with his mother staying home to raise him and his brother and his father as the Boy Scout Master. Rob earned his Eagle Scout at age 13, which was a pivotal moment in his life. "I believe that leadership comes from having an event for which you have to produce something. For me, that was getting my Eagle Scout," Rob says.

Every summer after Memorial Day, Rob, his mother, and brother would drive to Virginia to spend the summer. They would stop in Richmond to pick up Rob's great grandfather and would drive to his cottage on Gwynn's Island on the Middle Peninsula. "We would spend our days fishing, swimming, crabbing, and having camp fires at night," Rob says. "Other families would spend the summer there as well, so we had quite a gang of kids who grew up together over the same activities. It was really idyllic." Rob's mother loved to read and would often read a book a day. "I would read all summer as well -- one summer I read the Encyclopedia Americana cover to cover, Thomas Costain's history of another Plantagenets, and yet another Will and Ariel Durant's history and philosophy. My mother definitely instilled that habit, all to my benefit," Rob exclaims. As he got older, he would earn a little money as a swimming instructor before making the trip to the summer cottage. Rob's father would come to the cottage for two weeks towards the end of summer and then they would return home. Rob says, "We did this summer trip every year even after I went away to college. It was a great way to grow up."

During the 7th grade, Rob's father took them to California for his work with the space

program. Rob remembers becoming heavily interested in space and wanted to become the first man on Mars. While close with his parents, Rob's adolescence, as it was for many young men of that period, was marked by loud arguments with his father over their participation in the Vietnam War. "My father was a veteran and thought it was our duty to go to war if called, but my brother and I were firmly against it," he says. "But, I wanted to be an astronaut so when I was looking at colleges, ironically, I joined ROTC thinking I could get into a plane that way," Rob says.

After graduating high school in 1968, Rob attended college at Rice University in Houston Texas. Rob exclaims, "I was a great student in high school, but I nearly failed out of college my first year. I had to learn how to study." At Rice, Rob's interest in politics began to blossom. He participated in student government at all levels of the University. Rob majored in Biology and Environmental Science and graduated with his degree in 1973. "Looking back on it, my grades in college would have been better if I had majored in something like History, but I am grateful for my Biology degree because it helps me understand many things today," Rob says.

While still in school, Rob worked as an intern with the newly formed Environmental Protection Agency (EPA). The day after college ended, he drove back to Florida for a week and then on to DC without a job - but with an idea. A Alumnus was serving as Administrator at the EPA in Washington. He made an appointment, walked in to see him and out with a job as Project Manager working on water quality rules for timber. "That was at the beginning of the 1973 Oil Embargo and I made my way onto the speaking circuit talking about the role of energy and the environment," Rob describes. This opportunity allowed Rob to broaden his networks and within six months Rob was detailed from the EPA to a new agency set up to deal with the energy emergency, the Federal Energy Office, several years later to become the Department of Energy under President Carter. Rob worked at the FEO for a year or so until beginning a job with the White House Presidential Clemency Board (PCB) under President Gerald Ford.

The PCB was set up partly in response to Ford's pardon of President Nixon, after which he had decided that he needed to do something to

mitigate the fallout. The President had initially wanted to pardon all the Vietnam War draft resisters who were assumed to have fled to Canada - of which it turned out there were relatively few - but it was soon realized that he needed to broaden this to include clemency for any questionable military dishonorable discharges. Rob explains that this program worked to rectify these discharges and helped over 32,000 men and women veterans continue their lives. "I remember one veteran who had completed three tours in Vietnam and earned a Star and a couple Purple Hearts and was wounded," Rob says. "On his last trip home, he was arrested on a minor drug charge in Germany and was cashiered and discharged without medical benefits, which was hugely wrong." Rob describes his work with the Presidential Clemency Board as a critical experience for him.

When the Clemency Board finished its work, Rob was hired by the Ford Election Campaign to run its "issue operation." He had by this time decided to return to school for a post graduate degree and was accepted into the first ("Charter") class of Yale University's School of Organization and Management and earned his Masters in Public and Private Management. While in school he continued to serve on President Ford's campaign. Following graduation, Rob moved to Texas to work with a new company founded by his now wife's old boss, the former head of the Strategic Petroleum Reserve. Out of the blue one day, he got a call from George H.W. Bush who had called to recruit Rob to become his campaign issue director. "He told me that he was running for President and since I worked on the Ford campaign he wanted me to help establish that operation and to write his issue papers," Rob says. "So, I moved back to Washington, D.C. where my future wife and I reconnected." Rob explains that he knew his wife, Michela English, for a number of years (they had dated for a short period during the Oil Embargo and remained friends) coincidentally both moved back to Washington around the same time. Rob and Michela would spend the week working and traveling, he in the campaign and she traveling to far parts with McKinsey, and then reconnect over a late Friday night dinner. "At the time, we were best friends, but after Bush withdrew from the election, we sat down, talked about how things were different now, and decided that we should get married,"

Rob says, "So for the past 37 years of marriage we have kept our Friday night dates and everyone including our children know that Friday nights are for us."

Rob and Michela married in 1981, and a couple of short years later, Rob decided to run against incumbent Bill Nelson for Congress in Florida where he had grown up. Rob didn't win that election, but it did not stop his passion for politics. He went on to start a consulting group with some friends briefly before branching out on his own consulting business concentrating on public policy and logistics, maintaining his engagement in active politics as well. Then in 1988, George Bush was elected to the Presidency in his own right, and in 1990 Rob was nominated to the U.S. Federal Maritime Commission. "Honestly, I came into that position without many views about maritime issues, but I knew a lot about other transportation and trade issues," Rob says. Early in his time as Commissioner, Rob realized that the Commission, which primarily regulated ocean shipping cartels, was mainly harming American consumers as there were virtually no American ship operating companies left. Rob went against the traditional commissioners to side with the consumers and proposed that they deregulate the industry and abolish the commission. "I was giving two to three speeches a week, while other commissioners might do one in a month. I spent that time trying to sell the idea that this should be something consumer based," Rob says.

Rob resigned from the Commission in 1992 to run for election for U.S. Senator from the State of Florida. He explains that he was running for the Republican seat against former Democratic Congressman Bill Grant. Shortly before the election, Hurricane Andrew hit Miami, where nearly 40 percent of Rob's likely voters resided. During this time, Rob was reminded to carry on by his mother's influence. "She would say that not everything is going to work out the way you want it to work so the key is to pick yourself up and keep moving and learning." Within weeks of losing the election, he found himself running a shipbuilding technology startup and, later, a lobbying group trying to reform the maritime industry until starting NTELX in 1999.

For Rob, public policy and the idea that you can bring good management to government have guided him through his professional career. "Today I spend a lot of my time working with

startup companies, mostly in the technology arena but not alone.," Rob says. Several years ago, he founded an investment fund for Yale alumni to invest in Yale startups, and spends a big part of his time with that. Rob has recently hired a new CEO to run NTELX. He continues to serve on the Board of the Northern Virginia Technology Council, as well as on the Board of the Center for Innovative Technology. He is a Life Member of the Council on Foreign Relations. Rob explains that when he is advising young entrepreneurs that connections are vital. He advises young people to "surround and associate with people who are smarter than you. and you will learn so much more in life. You do NOT have to show that you're the smartest guy in the room!" Rob reflects on his time at the Federal Energy Office saying, "From a professional standpoint that experience was seminal, because I was surrounded by very smart people working to fix a problem that no one had dealt with before."

As a leader, Rob describes himself as a strong advocate because he is known for asking difficult questions and taking action in situations where others may hesitate. "As a leader I am probably fierce, but on a personal level I am more laid back," Rob says. "I like to be there to get something going when there is a lot of talk about something and no action. My overarching trait is that I am willing to act when others just want to talk." However, within his company Rob is confident knowing that he can trust the skills of the people working with him.

At home, Rob enjoys reading, occasional "appointment TV" (his favorite show is Game of Thrones), and his ritual Friday night dinners with Michela. He is the principal cook as he has been

for all 37 years of their marriage. "Cooking is a way of expressing yourself," Rob says. "I like being with people and cooking is a way to welcome and entertain them and to get them to open up." His passion for cooking also influenced his son, who is now a chef in Australia. "My father taught me from a young age to draw cartoon characters, so when my children were little we would have these large sheet cakes for their birthdays which I would decorate with icing to look like the cartoon figures," Rob says. His daughter combines many of his and his wife's creative and management traits as well. Hopefully these family traditions and sense of legacy will continue with Rob's granddaughter, who is a year and a half and already telling people what to do in her play kitchen!

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