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Executive Suite:
Bob Vormittag, Ronkonkoma

June 24, 2012 5:13 PM By CHRISTINE GIORDANO. Special to Newsday

Bob Vormittag's corporation works with more than 100 local companies. (June 12, 2012)

Bob Vormittag, president and CEO of VAI (Vormittag Associates Inc.) transformed himself from an IT director to entrepreneur of a multimillion-dollar software company by creating his own opportunities.

As a programmer, he took a leap to become a one-man consulting firm that grew to be an award-winning IBM affiliate with clients such as Dunkin' Donuts and Turtle Wax. He navigated his company's 220-percent boom during Y2K and survived the stagnant lull afterward by investing in development.

Vormittag operates six national offices that offer business automating software for billing, ecommerce and warehousing, and he's developed mobile and cloud software that allows companies to check inventory, customer history and buying patterns.

How did you survive the lull after Y2K?

We basically kind of ran in place for two or three years. We had built up a base of about 1,500 companies that we worked with, companies around the United States, Canada, the Caribbean, Europe. They kept us busy and we realized during that period that we had to add more value and more product development. We're a privately held company and we put a lot of our profit dollars into our product. That was a big distinguishing factor in our growth and our realization of how to survive.

What's your biggest headache?

Resources. We're expanding and the need for technology workers is increasing . . . [but] we're seeing shortages. Now we're bringing in trainees and training them from within; that's something that we've never done before.

What are some tips for competing against outsourcers?

In the case of technology it's the hands-on, local support kind of advantage that we offer . . . I think companies need ideally to say that you have resources available that can be on-site as required, that can be responsive to the needs of a company.

Does cloud computing mean a loss in profits, if your customers are renting and not buying software?

The services component of it is still the same and so it doesn't really have a big effect on revenue . . . but it does require creating an infrastructure of technology to be able to handle multiple companies in a cloud environment.

What if a business wants to develop their great idea into software?

There are two qualifiers: Will it provide efficiencies for the company that can be quantified, or will it help the company grow from a sales perspective, a marketing perspective. If it's a highly desirable thing to do, we work with an advisory council of customers, about 20 companies, that work with us [to sound out ideas]. [Then] there's a research component . . . and we create a test environment because that's the most critical thing of all in developing software: to test it.

Corporate Snapshot

NAME: Bob Vormittag, president and CEO of VAI (Vormittag Associates, Inc.) in Ronkonkoma
WHAT THEY DO: Develop customized software to automate business functions for the distribution, manufacturing, spe-

cialty retail and service sectors. "VAI is about helping companies achieve growth and efficiencies via automation."

EMPLOYEES: 130; 95 on Long Island

ROLES THEY PLAY: Programmers and help desk employees, quality control and documentation, sales, marketing, accounting, human resources, administrative and shipping

REVENUE: $25 million