



Daniel McGahn

EDITORS' NOTE Daniel McGahn is a strategic business leader with a strong track record commercializing cutting-edge technology. McGahn was appointed to the position of CEO in June 2011 after joining AMSC in 2006 as Vice President, Strategic Planning and Corporate Development. In 2009, McGahn was promoted to President and Chief Operating Officer, with responsibility for AMSC's day-to-day global operations. From 2003 to 2006, prior to joining AMSC, he served as Executive Vice President and Chief Marketing Officer of Konarka Technologies, a venture-backed developer of polymer photovoltaic technology for renewable power. Prior to that role, McGahn was General Manager and Chief Operating Officer of Hyperion Catalysis, a world leader in carbon nanotube production and application development. He has also held managerial positions at IGEN International, a medical device company, and Princeton Consultants. McGahn holds M.S. and B.S. degrees in engineering from the Massachusetts Institute of Technology.

COMPANY BRIEF AMSC (amsc.com) generates the ideas, technologies and solutions that meet the world's demand for smarter, cleaner, better energy. Through its Windtec Solutions, AMSC provides wind turbine electronic controls and systems, designs and engineering services that reduce the cost of wind energy. Through its Gridtec Solutions, AMSC provides the engineering planning services and advanced grid systems that optimize network reliability, efficiency and performance. Through its Marineteq solutions, AMSC offers power, protection and propulsion for the marine sector. The company's solutions are now powering gigawatts of renewable energy globally, enhancing the performance and reliability of power networks in more than a dozen countries, and helping the U.S. fleet increase system efficiencies and security. Founded in 1987, AMSC is headquartered near Boston, Massachusetts with operations in Asia, Australia, Europe and North America.

Will you discuss the history and heritage of AMSC and how the company has evolved?

Turning Dreams into Reality

**An Interview with Daniel McGahn,
President, Chief Executive Officer and Chairman, American Superconductor Corporation (AMSC)**

The company was founded in 1987 and is now an amalgamation of a series of acquisitions. The original company had a core technology, which was spun out of MIT by a group of professors who founded the company, led by Dr. Gregory Yurek.

AMSC, over its history, has been a company with a lot of promise because its technology is so compelling. The challenge I inherited was to turn that compelling technology, first developed in the late 1980s, into something commercially viable. We've had some success in meeting that objective, with much more work to do to drive further growth. I've spent my career at AMSC trying to take dreams and turn them into reality. We are taking a technology that, for decades, was from the pages of science fiction, and developing, and launching, commercial products, creating a marketplace, securing new customers, and growing a business. If you read any science fiction story about space travel, the propulsion systems of that ship is a superconductor, which is what we make.

As AMSC has grown, both organically and through acquisitions, how critical has it been to maintain culture?

Culture is paramount, and is one of the few things that you can influence as a leader. Our culture is based around collaboration. We make sure we are constantly collaborating with our partners.

Many of our best, and commercially viable, product ideas have been a direct result of these collaborations. If we are working on a certain project with a partner, we will ask if they may be able to fix a specific problem on another project that we're working on together. This collaboration can lead to a whole new class of product. This has happened a number of times throughout the history of the company.

Accountability is an integral part of our culture. We need to be accountable to ourselves, to our culture, to our company, to our customers, and to our family. At the end of the day, the buck stops with anyone in the company who is representing the face of the company, and we have to deliver for our customers, shareholders, and our employees.

Listening, and learning, is another important tenant of our culture. Interaction is critical, whether it is with a colleague, a customer, or a supplier, we spend the time to understand not only what we are accountable for, but also how we can find ways to further strengthen our opportunities to collaborate.

Innovation is absolutely critical for our organization and its culture. We work to be inherently innovative with our research and development, and then find ways to apply that innovation in a way that provides value to current, and prospective, global customers.

Our most critical guiding principal is resiliency. We have been through a lot as a company, having to virtually build-up the company from scratch after a prolonged legal battle with a Chinese company that stole our intellectual property rights. We must have employees that are extremely resilient to changes – such as ups and downs in the market, challenges with trade, or other issues. We have taken that part of our DNA, our resiliency, and have literally molded it into our product mix. We address resiliency with every product we make. Resiliency in the electric grid, and resiliency within the Navy fleet, are just two examples of how we integrate resiliency into everything that we do. Resiliency is what we are as an organization. Every AMSC employee demonstrates that resiliency.

Are the growth opportunities for AMSC primarily in the U.S. market?

I certainly see our biggest opportunities here at home, in America. We are working closely with the U.S. Navy and enhancing their operational safety with AMSC's Ship Protection Systems (SPS). There may come a time when we will start to export our SPS technology, and capabilities, to our country's allies. Additionally, when it comes to the resilient electric grid, we are also focused squarely on the U.S.

As the company continues to grow, is it harder to maintain an innovative edge?

I think one of the key strategic challenges simply comes down to expenses versus innovation. We have transitioned from being a business that had a lot of expenses behind trying to create a wide array of innovations to one that focuses expenses on prospective new technologies and products that we believe are going to perform and generate a return for the company in the relative near-term.

I believe very strongly that we have to focus and get value out of each of our initiatives, before moving on to the next opportunity. However, you do need to be thinking about what those next things may be, and always listen to your customers to make sure they are thinking about the same things. If there is a match, it will point us to the next product.

How difficult is it to focus and invest for the long-term with the quarter-to-quarter pressures for financial results?

If quarter-to-quarter performance is doing well, it's much easier to also focus on the long-term, and articulate to company stakeholders that vision and plan. We have to continue to demonstrate that we are able to deliver strengthened results on a consistent basis, and then people will increasingly believe in the company. ●