

# A Story Of Resilience

An Interview with Daniel McGahn, President, Chief Executive Officer and Chairman, AMSC

**EDITORS' NOTE** Daniel McGahn is a strategic business leader with a strong track record of 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 MS and BS degrees in engineering from the Massachusetts Institute of Technology.



Daniel McGahn

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 engineering planning services and advanced grid systems that optimize network reliability, efficiency, and performance. Through its Marinetec 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 and has operations in Asia, Australia, Europe, and North America.

**Will you discuss the history and heritage of AMSC, and how you define the AMSC difference?**

The company was founded in 1987 and is now an amalgamation of a series of acquisitions. 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, developed in the late 1980s, into something commercially viable. 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 are now 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 system of that ship is a superconductor, which is what we make.

Our focus is on the customer, and we are building on our relationships with our current customers. We are providing solutions for the problems that our customers are facing today. Our target markets are utilities, the military, and engineering, procurement, and construction companies. We understand how power generation works and how the grid works and are creating additional solutions to serve our customers' needs.

**As AMSC has grown in size and scale, how critical has it been to maintain the company culture?**

Culture is paramount and is one of the few things that you can influence as a leader. Our culture is based on collaboration. We make sure we are constantly collaborating with our partners. Many of our best and commercially viable product ideas have directly resulted from these collaborations. If we are working on a specific project with a partner, they will ask if they may be able to fix a particular problem on another project that we're working on together. This

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collaboration can lead to a whole new class of products. This has happened several times throughout the history of the company.

Accountability is an integral part of our culture. We need to be accountable to ourselves, our culture, our company, our customers, and our family. At the end of the day, the buck stops with anyone who represents the face of the company, and we must deliver for our customers, shareholders, and our employees. Listening and learning are other important tenets 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 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 to provide value to current and prospective customers.

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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.

**What have been the keys to AMSC's success with its acquisitions?**

While we are clearly focused on the value that an acquisition adds to our ability to serve our customers, we also focus on how that potential acquisition will fit into our culture. We have done several acquisitions where we felt that the combined offering was an advantage, and it takes finding the right people with the right product at the right price. We look at acquisitions in an opportunistic way – when we see a gap, we look to fill that gap.

**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 focus on the long-term and articulate that vision and plan to company stakeholders. We are focused on continuing to demonstrate that we can deliver strengthened results on a consistent basis, which builds trust in the company. While it is critical to drive quarterly results, it is also critical to invest in the long term to build a sustainable and industry-leading organization.

**You have been with AMSC for almost 20 years. What has made the experience so special for you?**

I have never really given thought to myself and have not done the best job thinking about the development of my own career. My focus has always been on the company that I am trying to develop and the people who are on the team. I am very proud of what we have accomplished as a team. I am proud to see members of our team who have been with us since the early days and may now be retiring and to see that they have family members who are now joining the company. AMSC is built on a series of families, which goes back to my comments about the importance of culture fit when we evaluate an acquisition opportunity – we want the people who work for us as well the customers who work with us to have a positive experience and feel that they are part of an organization.

**What advice do you offer to young people beginning their careers?**

I would tell them to visualize it and be patient with it. My generation thought about where they wanted to be in 10 or 15 years, and the generation before me probably thought a little longer out. Today's generation is focused on the now, but it is so important to be patient with yourself. I tell our people all the time that I do not want to put them in a situation that has a high probability of failure; my focus is on putting them in situations where they will be successful so that they will continue to progress in their careers. It takes time and hard work to build a career. ●

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