

Wichita Eagle, The (KS)
2007-08-02
Section: BUSINESS TODAY
Edition: main
Page: 1C

UNCLE SAM FUELS FIRM'S SUCCESS
-- IN LESS THAN TWO YEARS, WICHITA-BASED **CORPORATE LODGING** RANKS SIXTH
IN CONTRACTS FOR THE FEDERAL GENERAL SERVICES ADMINISTRATION.

CARRIE RENGERS, The Wichita Eagle

Several years back, Wichita's **Corporate Lodging Consultants Inc.** applied to be a government contractor.

"We never really made any headway," said chief executive George Hansen III. "We didn't know how to go about becoming a legitimate contractor, frankly." But the American Red Cross is a client, and **Corporate Lodging** helped the Red Cross house Hurricane Katrina evacuees in 2005.

Then the Federal Emergency Management Agency took over disaster relief.

"The next day we were a federal contractor," Hansen said, "and we've been rolling ever since."

That's an understatement.

Corporate Lodging is now No. 6 on the list of General Services Administration contractors with \$501 million in contracts.

"We were shocked," Hansen said. "We had no idea."

No. 5 IBM Corp. is barely ahead with \$516 million. The difference, though, is IBM has more than 300,000 employees. In fact, most of the top five GSA contractors have tens of thousands of employees.

Corporate Lodging has 150, and they're almost all in Wichita.

Hansen says "this little company that is relatively unknown in a relatively small city" did all that work.

"That number of people producing that volume of transactions . . . it's just unbelievable," Hansen said. "You really couldn't imagine how hard they've worked to pull that off."

The General Services Administration, which is the purchasing arm of the United States government, establishes which vendors federal agencies can buy from.

"The U.S. government is the No. 1 client in the world for anybody," Hansen said. "It's hard to get in, but once you're inside it's a tremendous customer for anyone to have." In some ways, though not on the

same scale, **Corporate Lodging's** story isn't unlike that of other companies seeking government contracts.

"The sun and stars may have to align a couple of times," said Ed Harvell, the director of business operations at McConnell Air Force Base. He helps small businesses figure out how to get government contracts.

"It's not hard," Harvell said. "It's just that the opportunity has to be there, and the capability has to match the opportunity."

He said the government no longer simply buys the cheapest product or service, though the price has to be in line, too.

The price has been right for **Corporate Lodging**. Government work now accounts for more than half of **Corporate Lodging's** business.

"It's pretty darn significant," Hansen said.

'One room at a time'

Wichita businessman Barry Downing started **Corporate Lodging** 30 years ago to help corporations - primarily those in the trucking industry - manage their hotel relationships.

"Now we serve a much wider variety of customers," said Kyle Rogg, **Corporate Lodging's** senior vice president for business development.

Downing sold the company to a private equity firm in 2003.

"At our base, we are a contract-management and rules-based payment processing company," Rogg said. "We're good at identifying potential vendors and placing a lot of contracts."

But nothing prepared the company for the aftermath of Hurricane Katrina.

"If we had known what we were getting into at the beginning, we might have said, 'No, thank you,' " Rogg said.

Employees were encouraged to bring their friends and families to work to help evacuees find housing.

"It was a very chaotic environment," Rogg said.

But successful, too. The company helped more than 750,000 evacuees.

"We hung a banner up," Rogg said. " '**Corporate Lodging Consultants: Making a difference one room at a time.**' "

In the aftermath of Katrina, the city of Houston took in more than 100,000 evacuees and placed them in apartments.

"The city just sort of invented a system on the fly," said Andy Teas, vice president for government affairs at the Houston Apartment Association.

But the city quickly became as much as five months behind in paying rent. **Corporate Lodging** took over and made payments early.

"They're a really impressive company," Teas said. "Their systems worked exactly as advertised.

"Our members are huge fans."

Corporate Lodging now has a preparedness contract with FEMA and Homeland Security, and it has opened a small office in Washington, D.C. It also has a sales office in Overland Park.

And Hansen is looking to lease more space in Wichita, where the company has offices near 32nd North and Rock Road. He declined to disclose revenue figures.

Downing is still on **Corporate Lodging's** board. But did he sell too soon, before the boom of government work?

"I think Barry did OK," Hansen said. "I like Barry a lot, but I'm not going to weep for him."

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Government contractors

Wichita's **Corporate Lodging Consultants Inc.**, which has 150 employees, is in the big leagues of the government contract business. It ranks No. 6 on the list of General Services Administration contractors with \$501 million in contracts.

Here are the top five, according to the GSA's list of federal supply schedules for 2006.

1. Dell Inc.

Contracts: \$1,259 million

Fiscal 2006 revenue: \$57.9 billion

Employees: 78,700

2. Science Applications International Corp.

Contracts: \$989 million

Fiscal 2006 revenue: \$7.2 billion

Employees: 44,000

3. Northrop Grumman Corp.

Contracts: \$950 million

Fiscal 2006 revenue: \$30.1 billion

Employees: 122,200

4. Booz Allen Hamilton Inc.

Contracts: \$790 million

Fiscal 2006 revenue: \$4 billion

Employees: 19,000

5. IBM Corp.

Contracts: \$516 million

Fiscal 2006 revenue: \$91.4 billion

Employees: 319,000

Source: Federal Times