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K2's Mission: Serving the Soldier



Groundwork at the K2 Solutions location is currently under way.

By Ted M. Natt Jr.

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Lane Kjellsen spent his last three years on active duty with the U.S. Army doing research and development for new products and capabilities.

“That really exposed me to business,” says Kjellsen, a retired sergeant major. “When I did get out, a lot of Army and Navy development entities wanted to hire me and move my family to their headquarters.”

But Kjellsen and his wife, Sue, had settled in Moore County in 1995 when he was stationed at Fort Bragg for the last time. They were raising a family, and they had grown attached to the area.

“Quality of life is a big deal,” Lane Kjellsen says. “We started our business in a very desirable community, we have proximity to Fort Bragg, and those are key factors in our ability to attract qualified employees.”

Ray Ogden, executive director of Moore County Partners in Progress, says K2 Solutions is “a wonderful example” of the type of business that he and his staff try to recruit.

“I think K2 is one of the rising superstars in the county,” Ogden says. “Lane and Sue Kjellsen felt Moore County was a place to grow their business and they’ve done that.”

And it hasn't taken them long. The Kjellsens — he is the CEO; she is the facility security manager — founded the company in the bonus room above the garage at their Pinehurst home right before Lane Kjellsen retired in January 2004.

“Initially, I provided advisory services to civilian engineers working for the military to develop material solutions for the warrior on the battlefield,” he says. “What I brought was a complete understanding of what the guy on the ground was going through, a knowledge of R&D and military acquisition and an ability to translate those requirements to the engineers.”

Kjellsen spent nine of the first 15 months that the company was in business as a consultant in Iraq, where he had previously served while on active duty.

“That really got us our startup capital, and we have been self-funded ever since,” he says. “We have grown thanks to local bank financing, not outside investors.”

Financing is critical because work begins immediately when K2 is awarded a government contract.

“Ramping up is challenging because you have to put everything in place before you start getting paid,” Kjellsen says.

For example, K2 was awarded a one-year, \$8.7 million contract last August to provide bomb-sniffing dogs to the U.S. Marine Corps. Within two months, the company had to hire 50 people, screen 170 dogs to find 112 qualified dogs, find transportation to get the dogs here and establish temporary training facilities.

“That contract has certainly allowed us to grow rapidly,” Kjellsen says.

Today, K2 has 110 employees, including more than 40 service-disabled veterans.

“What is still valuable is their minds, despite their level of disability,” Kjellsen says.

Patrick Coughlin, president and CEO of the Moore County Chamber of Commerce, says the increase in jobs at K2 will have “a pretty substantial” effect on the county’s economy for years to come.

“We’re thrilled for K2 and their success,” Coughlin says, “but we’re also happy for the local community because of the infusion of new money.”

K2 worked with Ogden and Partners in Progress to secure a \$240,000 grant from the North Carolina Rural Economic Development Center under its Building Reuse and Restoration Grants Program. The money will be used to up-fit a building the company recently purchased adjacent to its headquarters on U.S. 1 north of Southern Pines.

“We needed more room to house our employees,” Kjellsen says. “We looked at several potential sites in the county and found the answer in our backyard, so to speak.”

Kjellsen says that K2 has averaged 100 percent growth — in employees and revenue — every year since its founding.

“We’ve been at or near break-even most years, and some years, we’ve had small profit margins,” he says. “We reinvest in our company by hiring people and giving them the tools to best serve our clients.”

Kjellsen says that he tries to foster a family environment, despite demanding conditions.

“It’s not an easy place to work,” he says. “It requires a lot of commitment because when a client calls, we jump, no matter what time of day it is. Our employees are hard-working, dedicated professionals.”

They are also primarily former military personnel, military spouses or people with Department of Defense contracting experience.

“The seven key leaders in this company have a combined 189 years of military service,” Kjellsen says. “I have served with five of the six others, and we have all known each other for two decades or more.”

As a result, executive management has been able to hire former Special Operations soldiers and subject matter experts to develop numerous products and services for clients.

In addition to dog training, K2 provides explosives testing and training, weapons and tactics training, leadership assessment, intelligence solutions, logistics, multimedia production, security services and R&D.

“Supporting our troops is more than a slogan,” Kjellsen says. “We have stayed true to our mission, which is serving the American war fighter.”