

Speaker 1 ([00:00](#)):

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Shomari Wade ([00:15](#)):

Hello, my name is Shomari Wade, a government contract shareholder based in Greenberg Traurig's Washington, D.C., office. Welcome to our inaugural episode of the GT Client Spotlight series. The goal of the series is to highlight our clients who have diverse and interesting backgrounds and give them an opportunity to discuss their careers, their lives, things that interest them and make them tick. Our inaugural guest is a dear friend and client, Lou Huddleston, CEO president of Operations Services Inc., OSI, a service-disabled veteran-owned business based in Fayetteville, North Carolina. Lou is a retired colonel in the US Army, where he held multiple high-level posts, including assistant chief of staff, strategic planning, G-7, XVIII Airborne Corps, and Critical Joint Staff Officer, certified, Joint Chiefs of Staff in US Southern Command. OSI is a knowledge-based services company with core service competencies in IT, cybersecurity, and logistics, with primary customers being all uniformed services, the Veterans Administration, the Department of Health and Human Services, the Centers for Disease Control, and the Centers for Medicare and Medicaid Services, CMS.

([01:28](#)):

OSI employs upwards of 100 people in three countries and growing. OSI is a 2022 graduate of the SBA 8(a) program. Lou holds a bachelor's degree from Morgan State University, a master's in public administration from the University of Missouri, and is a distinguished graduate of the National War College. Lou, thank you so much for joining us for our inaugural client spotlight. We appreciate your time and service to our country. As a point of personal privilege, I say at the outset, I've always enjoyed working with you and your team. To a person, they're all top-notch. While I hope I've helped in some small way as your outside general counsel, I also know you've given me some incredible advice over the years, and I certainly count you as a mentor. First question, did you have a pivotal moment in your military career? And if yes, what was it?

Lou Huddleston ([02:20](#)):

First, let me start by saying, Shomari, it's been great working with you for almost 12 years now as OSI's outside general counsel, and I thank you for everything that you've done for us. With regard to your question, I would start off by saying, when you look at 32 years of active service in the Army, there's probably not a pivotal moment, but instead, I'd probably say I've got a couple of experiences that, when you put it all together, that's really represents an ability to work in the industry that I'm in right now.

([02:57](#)):

Of course, some of those experiences involve being fortunate enough to go to Command and General Staff College as a young captain and then later on in my career going to the National War College in Washington. Then you add in the assignments that I had, high-level assignments on the Joint Chiefs of Staff, the army staff, the army secretariat, and the Combatant Commands around the world. What they all did was they gave me a broad understanding and appreciation for national security and an appreciation for how the military industrial complex works. Right now, that's where I am operating as the CEO president of a defense and government contracting company.

Shomari Wade ([03:48](#)):

Thanks. So that's incredible. You touched on this in your response, but how has those cumulative experiences informed your work at OSI?

Lou Huddleston ([03:59](#)):

Almost 32 years of active service really exposes you to a lot. It exposes you to a lot of how the government operates. When I say government, I only mean the federal government, but those 32 years allowed me to touch the federal government, state governments, and local governments given where I was stationed throughout the nation, and I was able to see how government and industry work together. I also witnessed over my 32 years of active service how the military helped evolve technology. I remember early on in my military career as a young officer, you see industry come to the field with new technology, stuff like a forward-looking infrared radar, things like that, night vision goggles. I was on the ground floor when industry was testing that sort of technology with the military. So what it does is it informed me, from a very basic standpoint, of how industry connects with the government and specifically the military.

Shomari Wade ([05:10](#)):

Thank you for that. I fully appreciate the importance of innovation and defense contracting. Of course, being here in Washington, D.C., what comes to mind, of course, is the internet being a foundation of DoD innovation and how that's driven the local economy here. So I certainly get your point. I'm always curious how clients develop the concept of their companies. So in your 32 years of service, how did you develop the concept of OSI? What gaps did you see while you were in government that you felt that OSI could fill? You guys talk about how you spent some time thinking about what the OSI concept would be for really putting that plan into action. So curious of your thoughts on that.

Lou Huddleston ([05:49](#)):

Before I incorporated the company, I spent about a year developing an operating concept for how my company would provide various services. But even before that, when I transitioned out of the Army, I was finishing up in Afghanistan, and then I retired. I didn't jump right into founding an operating company. I spent two years as the chief of staff for the Homeland Security division for the Battelle Memorial Institute. So I spent a couple of years in the Washington, D.C. area watching and observing how the various departments and agencies and the Washington Interagency operated in the procurement acquisition arena. I got that background even before I considered starting my own company. So that all occurred before the incorporation.

([06:49](#)):

One of the things that I focused on was, I realized that I had done a lot of things in a lot of areas that involved services, and I thought really hard about what would Operations Services Inc. Offer to the government, what would we be selling to the government? And I quickly realized it would be a service company versus a company that provides a product of some sort. Ergo, when you look at the name, you hear Operations Services Inc., and I hired a marketing firm that helped me with the logo, helped me with the name of the company, but more importantly, I recognize what I would be able to bring to the industry, and that would be services.

([07:36](#)):

As for any gaps that I identified in that process, and I took about a year before I incorporated and worked on the concept, and I recognized no particular gaps. But what I appreciated is when you look at the history of government contracting and how our federal government relies on industry, and it goes all the way back to the Revolutionary War, and what you see is that government agencies rely on

contractors because they're unable to fully fund their staffs to the optimal levels. So I saw that as the opportunity, and that's the approach that I took. So when you look at the types of services we provide, it is broad in many areas. That's how I approached it. I recognized that the government agencies are going to outsource because they need the expertise from industry. So that's the foundation of OSI, and that's the gap that I focused on.

Shomari Wade ([08:44](#)):

Lou, thanks for sharing that insight. It always strikes me as well as a government-conscious attorney, the breadth of areas our clients are in munitions and space rockets, but it's also very functional stuff like software, copiers, baked goods. It's amazing the stuff that the government does, in fact, outsource and credit to companies and entrepreneurs for finding those niches where there's a need to fill and also support our country's international security as well. So all that makes perfect sense. So to that end, what is some advice you would share for veterans looking to start a business, either as a government contractor or just generally?

Lou Huddleston ([09:26](#)):

I do mentor a lot of young folks who are starting up businesses to do government contracting, focusing on the Department of Defense and the uniformed services. The one thing that I tell them upfront is that being an expert at something doesn't necessarily mean that you're capable of running a business. Those two things don't go hand in hand. I also stress with them the importance of understanding a notion out there that's called the E-Myth, the entrepreneurial myth. A gentleman by the name of Michael Gerber wrote a book many years ago, and I was fortunate. I guess you could say that I read it before I incorporated on my company, and I stress with veterans or with anyone who comes to me and wants to spend time about starting a business that you've got to understand the E-Myth, and the E-Myth is the notion that the entrepreneurial spirit is what will grow a company to success. That's a myth.

([10:37](#)):

The fatal assumption of that myth is that if you understand the technical work of a business, you understand the business that does the technical work. That's not true. That's a fatal assumption that a lot of folks make when they look at starting a business and they get on that entrepreneurial myth path, and that path looks a little bit like this. The first thing that happens, you get the entrepreneurial spirit, you get the bug, and then the second thing that happens is, you finally make up your mind and you start a business. Then the third thing that starts to happen is, the entrepreneurial spirit starts to fade. Once it starts to fade, you then have the company on a path to fail. So those are kind of the stages you go through. I tell them, "If you don't understand the E-Myth and you go into this not thinking your way through it..."

([11:41](#)):

If you look at the Bureau of Labor Statistics about small businesses and why small businesses fail, 20% of all small businesses fail in the first year, then 30% within the 3rd year, 50% by the 5th year, and 70% fell by the 10th year. They fell for a number of reasons, but primarily they fell because of a lack of capital or an inadequate management system in their company. What you get is you get the entrepreneur with his or her enthusiasm trying to do everything, and you've got inadequate management. Thirdly, the business plan may not be a good business plan, and there are infrastructure issues. Then the final thing that contributes to the failure once they get on that path is perhaps some marketing missteps or mishaps. I say to veterans or to anyone who wants to start a business, "It'll take a little bit more than your motivation, your spirit, and your belief in yourself in order to make a business grow and make it be successful."

Shomari Wade ([12:49](#)):

I couldn't agree more, and your answer inspired me to put on my lawyer hat in a way because I, of course, love advising small businesses, women-owned businesses, minority-owned businesses, veteran-owned businesses. In the course of that, though, I do see a lot of times where these very motivated and very smart people who are behind them do trip up on some of those points that you reference. Financing is incredibly challenging. In the government contract space, of course, there's a lot of compliance.

([13:22](#)):

I found, sometimes when I do a presentation and the audience, they're new and green and very happy at the time I finish my spiel on all government contract obligations, the mood kind of shifts, but it's important because you can't just, like you said, rely on that entrepreneurial zeal and have an idea and not appreciate that there are regulatory hurdles, that there are financial hurdles, that there is person management as well. Have you used, or how do you use, your military background, your leadership style to motivate your team? As I said, at the outset, your team is always top-notch. So how do you keep people motivated and engaged to help fulfill that vision at OSI?

Lou Huddleston ([14:07](#)):

When you look at what you do in the military, regardless of what service that you've spent time in, one of the things that I'm very grateful for and recognize is, I come from having served in an institutionally-based organization, the United States Army. As a result of it being such an important institution in our nation, it has a lot of other industries. It has professional development programs, and those programs run the full course of all the levels that you transition and matriculate through as an enlisted man or woman, as a non-commissioned officer, as a warrant officer, or as a commission officer. Those professional development programs easily translate to business. Part of that development involves enhancing one's verbal and communication skills. Everybody graduates from... A commission officer graduates from college or goes to grad school, and he thinks he or she thinks she's the best writer.

([15:24](#)):

The military at the mid-level takes you through professional development programs that demonstrate to you that you're not as good a writer as you thought you were, but they develop it and they put you in situations that help you. You also grow and appreciate organizational structure, how organizations are put together, how you make them run, how you staff them, how you coordinate them, how you budget them, how you execute the budget, how you do all of the planning. Then you also get an appreciation for what's required of you as a leader in terms of flexibility and adaptability as a manager, as a leader in recognizing, in our world, no matter what the industry or what the venue, it's not finite, it's infinite, and your ability to operate in that sort of environment.

([16:16](#)):

I guess the final thing that I would say about the skills that military veterans bring to the industry is the importance and appreciation for understanding teamwork and being focused on people. When you step away from the uniform, you've got some good stuff in your kit bag that, if you pay attention and you're motivated the right way, you can take those skills and be successful wherever you go.

Shomari Wade ([16:42](#)):

Lou, thank you for that. That's so informative and insightful. I do see where there are many skill sets that are transferable, and certainly many veterans finish their service to the country and go on to really phenomenal second, third acts in their lives and provide to the foundation. As a Navy medic, I certainly

attested that from my own father's experience. Tell us a little bit, and you also pointed out why the statistics on how many small businesses fail after the 3rd, 5th, 10th year. How has OSI set itself apart? How have you succeeded, both as having been in business for so long as well as the recent SBA 8(a) graduate? Companies get squeezed a little bit with that. So what have you done to ensure your longevity?

Lou Huddleston ([17:26](#)):

Unlike a company, an operating company that produces something, makes a widget, or what have you, that can easily set you apart from your competitors. When you're in the service arena as a contractor, it's a little different. I would say to you that if I look at what we've been able to accomplish in OSI, our network, that allows us to tap into a highly skilled pool of veterans who possess a wide range of technical fields and expertise that, with their knowledge, as you indicated in the introduction, OSI is a knowledge-based operating company, and we sell our knowledge to the government, and we do that with highly skilled technical experts. I think we've done well, and we set ourselves apart from our competitors by having a pretty robust network as a small business. In fact, whenever OSI works with larger companies, they're often amazed that our recruiting department can pretty much match or exceed their ability to reach out and get the necessary skills for a particular contract.

Shomari Wade ([18:45](#)):

That's wonderful. What a testament to OSI and, again, what you've accomplished and probably also punched above your weight a little bit, which is never a bad thing.

Lou Huddleston ([18:54](#)):

No, it's not.

Shomari Wade ([18:56](#)):

To that end, what is a project or accomplishment of OSI that you are particularly proud of or excited about?

Lou Huddleston ([19:05](#)):

As a CEO president, I focus on our folks, the team that we've built. My response to your question here is similar to what we talked about in the previous question. I would tell you it's not about any project or winning any major high-dollar value contract, and we've won our share, but for me instead, it's about our ability to recruit, hire, and retain a lot of veterans. Being geographically located where OSI is right outside of Fort Liberty, North Carolina, formerly Fort Bragg, North Carolina, when you look at the number of young men and women, non-commissioned officers, warrant officers, and young commission officers who transition out of the military, we've got that NED out there, and we have been very successful in recruiting them, bringing them in to do very, very high-level technical work and services that we provide. Our biggest accomplishment is recruiting, hiring, and retaining veterans, and I'm pretty pleased with that.

Shomari Wade ([20:18](#)):

That's great. I also appreciate and commend you for finding veterans, and you have, it seems, a built-in workforce, but a lot of communities struggle with workforce development.

Lou Huddleston ([20:28](#)):

Yeah, I would add that the majority of our employees across the board are veterans.

Shomari Wade ([20:34](#)):

That's fantastic. We have our own veterans affinity group here at the firm, and I think it's also benefits to OSI as well, in addition to being a good way to give back. I think they're also terrific workers and, like you said, have the skill sets that many folks who otherwise wouldn't have that. Of course, you spent 32 years in service. You've spent the second or third act in government contracts. So I'm curious, just as a macro-level to a high-level, what do you envision the defense industry will look like in 10 years and even longer than that, 15 years, 20 years, and what either program or just your view of what OSI is doing to help in that vision?

Lou Huddleston ([21:21](#)):

I would tell you, I believe that as you look to the future over the next 10, 15, 20 years, it's pretty simple. I think world events will continue to dictate how business goes in the defense industry. It's that fundamental. If you look back and you study history and you look back for the past 100 plus years, what you realize is that time has brought our nation a couple of world wars, regional conflicts, hot spots about every decade. About every 10 years, there are some significant regional conflict or hot spot, and I think that's going to continue. I don't think that's going to change. Because of that, I think what you'll see is, the industry will still be called upon to assist our nation's national security, national defense, and warfighting capability will call upon industry to support that. So in terms of how I'm responsible for ensuring that OSI is capable and prepared to deal with that, I'll continue to expand our services capability and the level of technical capability that the workforce has in OSI to be able to meet those demands.

([22:45](#)):

I think it's all going to be about IT, cybersecurity, and, of course, the buzz term of the year now, AI. That's where it is. So as a small businessman, I've got to pay attention to that and ensure that I adapt to it and that I have plans and resource, those plans to be able to meet the demands. The bottom line is, I believe that world events will continue to dictate how things look in the next 10-15 years. All you have to look at is what's going on in the Middle East right now and the demand that the war that Israel is having with Hamas and Hezbollah. What you see is how it works its way back to the United States, our industries, and our ability to support an ally.

Shomari Wade ([23:44](#)):

I couldn't agree more. I had began my career in 2008, 2009, during the height of the conflict in Iraq and Afghanistan, and those are wound down, as well as of the clients who were involved in those spaces, but the other stuff that's begun to heat up, including the major powers, conflicts, the stuff going on, of course, at the Middle East, Ukraine, Russia, and so it's fascinating, in the course of having some longevity now in the government contract space, how the fundamental concepts are still there, but they're applied differently. The Defense Production Act being used during COVID to produce protective gear. Yeah, it is interesting, and I certainly see that. I think we're wrapping up now, and thank you for your insight, your guidance, your wisdom. I think I found it fascinating and insightful. I know our audience did as well, so thank you. Just to close out, do you have any last insight or advice?

Lou Huddleston ([24:39](#)):

In keeping with the theme, I'll focus my advice on small businesses, veterans who are either considering starting a business in the defense contracting arena or who have small businesses in that space. I would

say to you, make sure you always do your homework and go slow. Take your time and build the corporate attributes and the foundation that's going to allow your company to survive and to be able to adapt. Keep in mind, you are working in a world. You're working in an industry that is not finite. It's infinite. So make sure that your approaches and your plans recognize that you're in an infinite environment and not finite.

[\(25:33\)](#):

The second thing I'd probably say is make sure you create and run an organization that's built on ethics. Don't take shortcuts, don't listen to the wrong people. Don't try to get things on the cheap. Make sure you run an ethical organization, and that'll get you there. Be smart, be steady, and that'll get you there.

[\(25:54\)](#):

The final thing I would say, and I would tell anyone starting a business, regardless of what space they're in, but especially in defense contracting, government contracting, get you a good legal team. You've got to start out with the legal team. You've got to keep a legal team and one that understands a government and defense contracting in the industry that we're in. Your cousin or brother, who is a personal injury lawyer, is not going to hack it in this business. I've been fortunate enough to have you, Shomari, as my outside general counsel for over 10 years, and I'm grateful that it has made a difference. So kudos to you, my legal team, for what you've done for OSI, and I'm very grateful for that.

Shomari Wade [\(26:40\)](#):

Thank you, sir. It's been a privilege working with you and your team. With that, sir, I thank you for your time again, your wisdom and guidance. We appreciate it. Thank you to the audience for listening to our inaugural client spotlight series. Thank you so much.