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Exporter of the Year

Joseph R. Stonoha

Owner, Netc, LLC

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Trumbull-based Netc, LLC, a young company that produces label stock for magnetic media, was just starting out in 1998, when the internet boom was gaining steam. Now it is the internet that has helped Netc gain the exposure it needed to become the Small Business Administration's Connecticut Exporter of the Year.

Netc and its owner, Joseph R. Stonoha, are responsible for creating a product that improved efficiency and convenience for businesses that require storage media labels.

"Before we existed, you had to buy these labels pre-printed by one of our competitors," Stonoha said. "You couldn't print your own. It would take a couple of weeks to get your labels, and a lot of companies couldn't wait that long."

The situation was even worse for companies overseas. And that has become Netc's niche. The firm developed special software that allows companies to print their own labels with their own laser printers, on demand and in their own offices.



Joseph Stonoha saw a need for labels that could be printed by a business and built an international market.

"We found label stock that had to last 40 years and meet all these specifications," Stonoha said. "We converted the label stock and we put ourselves up on the internet and it just kind of took off from there."

Today, the company exports to over 50 countries around the world.

Netc's exporting volume represents over 30 percent of its annual gross revenue, and

revenue has grown nearly 10-fold in under 10 years.

Netc has increased its global presence by setting up partnerships with businesses in South Africa, Germany, Brazil and other countries. Many of Netc's clients are end users, while others are distributors selling the products to other users. Clients include IBM, Sony and Fuji, among others.

Netc also established Netc Asia Pacific and Netc Europe through the company's internet presence. Both are licensed to use the Netc name and sell Netc products exclusively.

Stonoha said the company was proactive in forming its partnerships.

"After they were doing it for a while and proved they were doing it correctly, we approached them to be partners," he said. "The partnerships are working out well."

Stonoha said he learned early on the importance of knowing the market and the culture of the places where he was looking to expand.

"The U.S. is a competitive marketplace, and other parts of the world are very territorial," he said. "If you do give someone exclusivity – we've avoided it except for Netc Asia Pacific and Europe – you have to hold their feet to the fire and make sure they're doing what you want them to do. You want to avoid getting into a babysitting mode."

Stonoha keeps Netc growing by updating the technology and offering new products requested by his customers. The company has developed a Radio Frequency ID, or RFID label that is imbedded into the regular barcode label and can be printed out the same way as the original labels.

Stonoha said the RFID labels will help track data that are lost or misplaced, such as those from banks, credit card companies or other institutions with sensitive information.

"We were approached by a major financial institution (to come up with an RFID product)," he said. "We saw it on the horizon but we didn't know it was needed as quickly as it was. Now IBM offers RFID labels to their customers, and they're ours."

Stonoha said his company prides itself on quality and customer service.

Customer Len Crann, president of National Sales Associates in Lawrence, Mass., a distributor of remanufactured toner cartridges, said he likes the one-on-one attention he gets from working with a small company like Netc.

"They're much easier to work with, and their delivery is better for us," Crann said. "I can pick up the phone and Joe will get the job done for me."

Crann said the quality of Netc's products is unquestionable.

The Exporter of the Year Award honors a business with increased sales, profits, and/or

growth of employment because of exporting, creative overseas marketing strategies and effective solutions to export-related problems. Netc came to SBA through its 504 Loan program, which provides capital to acquire property for businesses that can demonstrate that through that program, they can create or retain jobs.