

Jerry Parsons (00:01)

Dad had the idea of this little tester. This tester can test maybe 50 different types of circuit boards and never had been heard of before. And that put CTDI on the technology path. So now when a customer would come in, we would actually take these testers, a little one, and show them. And they would be blown away by, my gosh, we've never seen anything like this.

Ryan Newman (00:34)

This is Dare to Disrupt, a podcast about Penn State alumni who are innovators, entrepreneurs, and leaders, and the stories behind their success. I'm your host, Ryan Newman.

And on the show today is Jerry Parsons. Jerry is co-founder and chairman of CTDI, a leading electronic service provider and strategic partner in the global communications industry. 50 years ago, shortly after graduating from Penn State, Jerry founded CTDI with his father, Don, and brother, Rich, in Westchester with the idea of creating a small telecommunications repair company. During his tenure as CEO,

Jerry positioned CTDI as the industry leader for test engineering, repair, and logistics services for telecom, cable, and consumer device industries. Under Jerry's leadership, CTDI has developed the most innovative, automated, and robotic test systems for technologies such as consumer smart devices, audio devices, set-top boxes, wireless gateways, and 4G and 5G wireless infrastructure equipment.

Headquartered in Westchester, Pennsylvania, the company now supports a growing customer base with more than 20,000 employees across 100 facilities worldwide. Jerry received the Penn State Alumni Fellow Award in 2009 and is an active member of the Penn State Brandywine Advisory Council. He earned his associate degree in electrical engineering technology from Penn State Brandywine and his bachelor's in electrical engineering, Penn State Harrisburg.

Jerry, I'd now like to formally welcome you to Dare to Disrupt and you are our first guest. That's from my multi-generational family business. Thank you for being here.

Jerry Parsons (02:18)

Thank you, Ryan. It's really going to be exciting and thanks for all you do.

Ryan Newman (02:22)

So I'd like to start as I normally do, which is at the beginning. Can you share with our audience those early formative years, little Jerry, if you will, where'd you grow up and how'd you spend your time?

Jerry Parsons (02:32)

I am one of eight children. Wow. So that's really cool. From the Irish Catholic family, I'm number four. Right in the middle. Right in the middle. So that was great. We all went to St. Philip and James grade school and then off to Bishop Chattinghans. So we're really Chester County people. You know, we're sitting here in Delaware County.

Ryan Newman (02:56)

Thanks for crossing county lines to come give this speech,

Jerry Parsons (02:59)

That's right. Yeah. So we had a great upbringing and I'm also first generation going to college. So my parents, my mom went to West College. I can always promote it that we were going to college, you know, but, we are the first generation.

Ryan Newman (03:16)

And what kinds of things were you involved in as a kid? you play sports or play outside?

Jerry Parsons (03:20)

Yeah,

we did all the good stuff, know, certainly being a big family and back then all the kids in the neighborhood, like our backyard had no grass because we always playing football or baseball. know, and my dad, didn't, he didn't worry about it. So, so now we did all that baseball, football, fishing. I loved to fish back then. I still love to fish now. So.

Ryan Newman (03:45)

What's favorite fish to catch?

Jerry Parsons (03:47)

A snook.

Ryan Newman (03:49)

And describe what that is for our audience.

Jerry Parsons (03:51)

It's a big aggressive fish down in the back bays of the west coast of Florida.

Ryan Newman (03:58)

So fisherman would ask how you avoid getting stuck because the drag in your boat's got to be awfully shallow to be able to support the snook. Because I imagine that's right along the back bay on the coastline. Yeah.

Jerry Parsons (04:08)

you have your outboard motors, you you prep them up and I have the most advanced electronics you can imagine. No surprise. It helps me. ~

Ryan Newman (04:18)

Speaking of electronics, did you have any interest in electronics when you were... ~

Jerry Parsons (04:21)

Yeah,

well, that's a great question. Yeah, I was fortunate to grow up where my father's career was in the telecommunication business. So he worked for Western Electric. So he would actually go out and install these central offices for Bella, Pennsylvania. And as the technology advanced into electronics, he was right in the middle of that. He was educated through that technology.

When I was growing up, he'd be bringing this stuff home. And he was a volunteer as well. And I remember one time it was a high school football team and he designed a scoreboard for the field. Wasn't real fancy, but it worked. He would dial up the numbers and all that. And I was fascinated, you know, when I was 13 years old, how to do that. I really had a love for electronics. He would buy me the electronic case. ~

Ryan Newman (05:17)

does the end for audience members describe that? What did they look like? What was involved in the keys?

Jerry Parsons (05:21)

You would

buy it, had whole bunch of parts in it, resistors, capacitors, switches, and you you would build say a radio. So you would follow it and follow all these wires and put it together and turn it on and hear a lot of crackling and all.

Ryan Newman (05:38)

Coming through the speakers.

Jerry Parsons (05:40)

So I always loved doing that stuff.

Ryan Newman (05:43)

Obviously, it sounds like you a great childhood, maybe not a lot of fertilizer in the back lawn, but other than that, great childhood. And so now it's time to sort of take your educational step past high school. How'd you decide where to start off on that journey?

Jerry Parsons (05:56)

My two older brothers, they were always top of the class. They were very smart. I was, me and my other brother, we were like middle of the class. I knew I wanted to stay fairly close to home and go to a small college. My brother went to Villanova and Lehigh. So said, no, I just want to go to a small college, but I wanted to be in the electronics side of it. So when I started to look, Penn State Brandywine, which was just becoming

a site, know, for Penn State Brandywine. So it was a perfect fit.

Ryan Newman (06:30)

sort of Penn State, also close by proximity was important to you. Yeah. So brand name, but also close. Yeah. Great. For commuting.

Jerry Parsons (06:36)

And you're

yeah, I had this old beat-up car didn't run too good and I would go from Westchester to here but my first semester Because this building was still being built. It was behind schedule. Mm-hmm. So they said well you have to go to Chester. Mm-hmm So I drove all the way into Chester Wow, and that's where we had a very first ten weeks of that semester Was in this bad part of Chester, right?

There was a roller wrinkly top of it. Oh, wow. So yeah, so I drive this old car. And then, you know, when we moved here, this was, we were the first class in here. So it was really, really exciting.

Ryan Newman (07:09)

Hard to see.

the first class on Brandywine's campus. About that. And what year was that, Jerry?

Jerry Parsons (07:25)

Brandywine's C- 1970.

Wow.

Ryan Newman (07:31)

Yeah. So 1970, first class Brandywine's campus. No wonder you're so involved. So you come here and how'd you start to select your, you got your associate's degree here. How'd you select your major?

Jerry Parsons (07:42)

At Penn State, I was in the engineering program, the regular bachelor program. So when I started, I had all those typical classes like this, the chemistry and things like that. But what I had heard they had at this campus, they also had a technology degree. And I started

looking at that. And I would say being an average student and loving the hands-on, I started.

maybe I knew somebody in that program. said, wow, that is really cool. So I switched out of my four year engineering and I went into the associate program. I still remember the teachers, Mr. Sajuriak and Mr. Anathis, and they were just excellent. And they were these small classes. were like 13, 15 people in there.

A lot of hands-on, learned Ohm's law, learned all this electronics. And I excelled. I was like first or second in the class. And I just loved it. But then what happened is when I graduated two years later, I saw that, you know, I could go on, which I wanted to do. I wanted to go on and my bachelor's degree in electrical engineering. So I said, well, I'll sign up to that because I had really good grades.

Ryan Newman (08:46)

How about that?

Jerry Parsons (09:05)

I then went to Penn State Harrisburg. So I just went a little different route, but for me it was perfect.

Ryan Newman (09:12)

Incredible. So you're at Harrisburg and at that point, I assume you were not commuting. probably lived, did you live in Harrisburg? I lived in an alley. What was it like living away from home for the first?

Jerry Parsons (09:21)

Well, it was a great experience. I met these three guys from Philadelphia and I'm from Chester County. You know, they thought I was from some other planet. I remember one of

my buddies in Philadelphia, Mark Francia, a good friend of ours, and he said, well, if I have any grass on my row home, we put cement over it.

Ryan Newman (09:49)

Well you can relate to him because you didn't have lot of grass in your backyard either.

Jerry Parsons (09:52)

That's true. Well, the other great thing that happened in Harrisburg is I had a party and that's where I met my wife. That's where my wife and I met. We just celebrated our 50th year wedding. So I came out of college, I was living at home, owner was living at home and I was interviewed by the DuPont company up at Penn State. So the DuPont company hired me as an electrical engineer down in the

Ryan Newman (10:05)

Congratulations.

Jerry Parsons (10:20)

one of their Wilmington plants, Christiana Labs. So I was so proud of that because Eleanor's family had all been DuPonters. They were all laborers, you know, they were working in the plants. And I was being first generation college. So was like, wow, this is great as an electrical engineer. So I drive down to Wilmington, right straight down 202 every day. Eleanor and I were pretty serious. I was there maybe

two months and I started getting some paychecks on my, man, this is great. I'm getting some money. I still had a beat old car I was driving. So I remember Elna and I sitting on the curb and I said, well, you know, I know we want to get engaged, but I really need a car. So this, birthday was coming up. said,

You think we can wait till Christmas to get engaged? And then I bought a little Mercury Capri. And we got engaged in December.



Ryan Newman (11:25)

So she. Congratulations.

Amazing. Great story. so you got engaged. You're at DuPont, but you didn't, you didn't stay DuPont very long.

Jerry Parsons (11:33)

You know, I was there about a year and a half. Shortly after I did start, my father was offered a retirement package from the phone industry. And he came home and I was living at home, you know, going back and forth to DuPont. And he said, I had this idea. And his idea was to repair these circuit boards out of the phone central offices.

And if you look at them, they just have like eight transistors on them. It was like a Heath kit of its own. And that was the technology back then. But there were tens of thousands of them that would go bad. And he says, I know these are going bad. I see them when he's working for Bellope and all. So he said, I think there's a small niche for a repair company to do that. And that's what he wanted to do. He wanted to start a company.

So being very close with him and all that, said, yeah, that sounds good. I'll come in with you. And one of my other brothers came in and we all put in \$200. Wow. \$200.

Ryan Newman (12:45)

Each put in \$200 to form this company, but you got to have some place to work. So where did you, where did you work starting out there?

Jerry Parsons (12:51)

Yeah,

and my dad was still working a few more months. So he said, well, we got to build a garage. So he said, we need a place to work. This is the garage that we built. We literally dug the foundation. I can still remember the cement truck coming to pour the floor, wire the receptacles up and everything. So we'd be doing that like on the weekends. Incredible. Yeah, it really cool.

Ryan Newman (13:16)

This is your childhood home on Boot Road. Yeah.

Jerry Parsons (13:20)

And you can see that little home there, little split level, eight of us.

Ryan Newman (13:24)

So eight of you in this split level on boot road doesn't have a garage and you hear people saying they're going to found a company out of a garage. In your case, you had to build the garage first before you had a plate. could found the company. ~ That's even more industrious. So you had to build the garage before you could found the company in the garage. Incredible. And I was

Jerry Parsons (13:37)

Good point. ~

I think that is.

I'm starting at, yeah.

Ryan Newman (13:49)

I noticed in the introductory bio, we talked about all you wanted to do is build this small telecommunications company. So you weren't thinking 20,000 employees when that first garage.

Jerry Parsons (13:59)

My dad is still relatively young. He's about 52. But he thought, you know, if we had 20 people, that would be great and he could make a living and we would have a nice little family business. 20 people.

Ryan Newman (14:12)

Amazing. 20 people. Interesting.

You put a couple zeros on that number though. You found this company, but now you got to get customers. But it seems like your dad had some connectivity, at least some awareness that there was a problem you were trying to solve. So the first problem you were trying to solve was actually repairing those different circuit boards. And how was it out of the gate? mean, were you able to acquire customers right away?

Jerry Parsons (14:35)

It wasn't easy because he would go out and talk to his friends in the central offices and he said, I can repair these. But then at the time it was Western Electric and they owned, was the, it became Lucent and they maintained all these central offices. And they would say, you're not allowed to take these and have somebody else repair them. Right. Because Western Electric's service was so bad.

They would send these boards in and they might get them back in three months. So his thing was, we'll have them back in 21 days. Wow. Right. And a lot more economical. So he kept talking to him, his contacts. And finally they started giving us a few. And then we had like these milk runs. We'd go in a little van and you would go to the central office once a week and pick up a box.

This is what they want it repaired and bring the good ones back to them. And that's how we started.

Ryan Newman (15:36)

So that's how you get off the ground. But there's a lot that goes into growing and scaling a company. So that was your initial revenues, initial units sold. If you kind of look over your long history, because the company actually celebrated, is it 50 years? 50 years. Incredible. So married 50 years, and the business has founded 50 years ago. You're doing pretty well for yourself.

Jerry Parsons (15:56)

Yeah. Yeah. Well, we incorporated on St. Patrick's Day, March 17th, 1975. It is. Yes. We enjoy that.

Ryan Newman (16:05)

That's like a built-in

So you've got this business, you're really trying to kind of ramp and scale. What was the next big technological breakthrough you had in the business that really allowed you to expand the growth of the company?

Jerry Parsons (16:21)

Well, what we did was we didn't last in the garage very long, mainly because it didn't have any heat.

Ryan Newman (16:29)

You think about that when you're laying the concrete floor?

Jerry Parsons (16:31)

Yeah,

yeah. You think of things, you critical paths. That became a critical path. There's no... So we went into a basement of a building, where used to be the helicopter port, and that's where we went in there, and we thought we were in heaven.

Ryan Newman (16:48)

to

couple thousand square feet.

Jerry Parsons (16:50)

Yeah. And we'd have our work benches set up and we'd be picking these up, see what comes in. So we started doing that and start getting, it's almost like a bread and butter where you're getting some core business. And then that allowed us to then what's on the screen are these testers. So what was really a big thing was my dad had the idea of this little tester, they had a square one to be able to test what they call grids.

And so this was automated. took us into the automation, automated tester. And then the other one on the other side was called PATS. And this would take different types of these. You see those slots? And this tester can test maybe 50 different types of circuit boards that never had been heard of before. And that puts CTDI on the technology path.

Ryan Newman (17:32)

Yes.

Jerry Parsons (17:47)

where we're doing test engineering. now we would still do all the repairs. So now when a customer would come in or we go see them, we would actually take these testers, a little

one, and show them. And they would be blown away by, my gosh, we've never seen anything like this. And that was one of the first steps we did to use our electronics testing.

Ryan Newman (18:12)

So the grid tester was portable. You could bring it with them. this whole notion of show, don't tell, don't tell them how great it is. Show them how great it is. Right. So show, don't tell the grid testers physically brought in there. And you have the multiple capabilities to be able to do different circuit boards all on the same device.

Jerry Parsons (18:29)

Right.

So then what happened, we were showing the people in Pennsylvania, right, have them come out or take this test to them. Then we realized, wait a minute, they had the same exact equipment from Philadelphia. They have it in Los Angeles. How about it? And in Chicago, in Dallas. And it was like, wow.

Ryan Newman (18:51)

one state to 50 that you multiply the math of one to 50. And so, so you took the show on the road.

Jerry Parsons (18:55)

Right.

we would ship this smaller tester, which weighed about 100 pounds. He had to ship it out there in his big crate. And then my father and his buddy, Eddie Dunn would haul it up the steps. And they would have, this is portable. But they would love it.

Ryan Newman (19:03)

And shipping was really expensive.

Poor Eddie.

Jerry Parsons (19:23)

And then when they would love it, we said, and by the way, we'll set up a little garage out here. It wasn't a garage, but it would be building not as big as this space. And we would set that up in Los, outside of Los Angeles, outside of Chicago. We would go pick up these boards and all the central offices in Los Angeles. And so you were rubber stamping what we were doing here in Westchester.

in these other cities.

Ryan Newman (19:53)

Now that's that's predominantly at the time those circuit boards were used for the telephone company, right? But we then had technological advancements occurring. So cable coaxial cable came into existence. How did CTDI continue to evolve in your business as the technology advanced in these industries with which you were serving?

Jerry Parsons (20:12)

The industry was changing as the phone companies kept getting bigger. They kept merging, but then they also started to get into the video business. even Verizon or AT &T were starting to offer TV service to the home. So we were watching them and said, well, there's electronics in here. We know how to do electronics.

So we started then moving into the set-top box business. So that was still within the phone industry initially. The big player in the video business is Comcast. Right? So then we said, okay, well, let's get our sales strategies going and said, we're going to go talk to Comcast in Philadelphia. They had no idea who we were, but now what we had done,

We had taken those other tester technology and not only were we electronically testing this, but we're now doing 12 at a time and Comcast was doing their own and they were doing one at a time. So we would go in with these executives and say, well, you don't need to do it yourself. Send it all to us. We'll do 10 at a time for you.

And I remember going to Comcast and the very first meeting with top executives of Comcast. And I said, we can do 8,000 of these a day. That's what we're able to do.

Ryan Newman (21:50)

So you said you could do 8,000 a day, which sounds like a lot.

Jerry Parsons (21:55)

It did. The Comcast executive said, how are you going to do 80,000 a day?

Ryan Newman (22:03)

So he heard, you said 8,000, he heard 80,000 or he was challenging him.

Jerry Parsons (22:08)

he was challenging me and I said we'll do it in 10 locations across the globe. 10 times 8 is 80. Bravo!

Ryan Newman (22:14)

~ Bravo.

you're there to say we're going to do 8,000 a day. He says, how are you going to do 80? And right there on the spot, you commit to 10 locations versus one to get to your 80,000.

Jerry Parsons (22:29)



Then what he did, he says, well, he was already doing them one at a time. He said, will you let me use your testers in my facilities? Which was not our game.

Ryan Newman (22:35)

house one at a time.

Now

you're basically giving him your technology and that's a different, that's a lease model as opposed to subscription model. So what, so what did you.

Jerry Parsons (22:49)

Yeah, so realized I'm dealing with this giant. And I said, yes, I will let you do that. But I want to make sure I can buy them back from you. Okay. Because in three years, I'm going to buy them all back from you. And we'll be doing it all ourselves.

Ryan Newman (23:06)

basically you were calling them out. You're basically saying, look, you're going to, may have my equipment, but that doesn't mean you can run these tests the way we do and optimize. So you'll, you'll be coming back to have me do this as a service for you in three years. And did it take them three years or even shorter?

Jerry Parsons (23:20)

Took us about three years, right, Mike? My youngest son, Michael, when all this was happening, he was just getting out of school. So he was right with us building all this stuff. And I would say in three years we had them all back and we were doing them in eight facilities across the country. Wow. Now we do a hundred percent of their set-top box business.

Ryan Newman (23:43)

day,

you knew what you were talking about. You had the right, but you had to give him the chance to at least try it. If you would've said no, you weren't going to let him use the equipment at all. You might've been, it might've been closed door right there. So would you say that was Jerry, was that one of your biggest sort of high stakes risk moments when you

Jerry Parsons (23:58)

Yeah. And it goes to your dare to disrupt. Yeah. Right. Well, I mean, that's, I love the saying, dare to disrupt that. That's what you're doing here. You're disrupting how they're doing 80,000 or something a day. You're bringing technology to the forefront with new businesses. There was competition out there as well. And then you dare to disrupt and you go out and you're

Ryan Newman (24:02)

Talk to me about that.

Jerry Parsons (24:26)

aggressively go do it, you invest, right? And that's what we did. We dared to disrupt the industry. And today, now that's Comcast. But if you look at today, we also do Charter and Spectrum, they're the same, AT &T and Verizon. So we have about a 95 % market share in this type of business. And it's because we dare to disrupt.

Ryan Newman (24:52)

Well, by the way, Dare to Disrupt is just the name of a podcast, but you, friend, are the one that actually dared to disrupt the whole industry. So let's just be clear. I appreciate the credit. And in addition, technology advances continued because it didn't just stop at the cable box. mean, iPhones, right? Or just cell phones in general.

Jerry Parsons (25:09)

One thing we do too is we try to grow our business, what we call horizontally. So when the phone companies started getting into the mobile phones, even with the big ones, installing them in your cars, so we were offering those services to the big phone companies, Verizon, AT &T. So we just kept right on their coattails. The other thing we always said is that my father would always say this, these phone companies are so big, we're just going to ride on their coattails.

Right. To see where they're going and with technology, et cetera. So we would do that and then just keep up with it. Then from there with the phone companies, we also took our same technology through electronics and robotics. We can test this iPhone in about four minutes. Wow. And it goes, I mean, it is spectacular technology. We can do eight at a time.

So you're just cranking the test out of how to test the.

Ryan Newman (26:11)

And Jerry, for those who may not be obvious, what is the importance and what role does testing play in one of these devices just in general? What's the efficacy of the testing?

Jerry Parsons (26:20)

Well, it's so important because you're not going to... Well, certainly if you're Verizon, you don't want to receive a phone back and there's something wrong with it. Right. Right. I mean, that's their whole reputation. Right. And likewise, they want to have a service provider that can give you 100 % guarantee that these things are perfect.

Ryan Newman (26:39)

So you're basically testing the specifications to make sure that they're meeting the standards that they're being sold.

Jerry Parsons (26:44)

That to be and sold to that that they wrote work perfectly and as there's like 200 different tests, right? You know, you have your cameras, you have your zoomed ins and out, you have your color, your pixels, and they're very technical tests, the audio test, the vibration test.

Ryan Newman (27:02)

And for the devices that don't pass the test, then

Jerry Parsons (27:04)

Then you say, who can repair them? ~ no.

Ryan Newman (27:09)

What are you? So you're in the testing business and you're in the repair business. Who would have thought that I'm catching on here. I'm noticing a trend. So, so this has allowed the business to obviously grow. Now it's amazing to think I have to ask you what's, what's it meant to you to be able to have your family involved in this. You talked about having your dad and your brother start the business. You mentioned Michael and he was just coming out of school when the set top boxes were coming into vogue. Talk to us about.

Jerry Parsons (27:14)

Right!

Ryan Newman (27:35)

this idea of a family business, multi-generational, how has that actually played out for you and your family?

Jerry Parsons (27:40)

Well, I think it even goes back to the very beginning when it was me and my dad, my one brother, you're on a common mission to develop these testers, even if you pop back our

testers. There's months, a year of developing into these testers. So you're just working at it. You're putting all your energy to try to create these. So back then when I was a young man, my dad would be my mentor.

He was smarter than me. I had my degree. I could go beyond that, but to learn the real basics of everything, he was excellent. So he was really my mentor. And then when my younger brother Leo, he's eight years younger than I, he got out of Penn State with an engineering degree. Then we were able to mentor him. And then him and I became very close. The team was then me and him. For a while it me and my dad. Now you have two you going out.

But then when the, what we call the third generation, I'm second generation, when the third generation started coming in, you did the same thing. You put them in certain areas. Like I said, Michael was in the set-top box. You mentor him how to learn that business, not only electronically, but how to sell it, customers, innovation. With all the three G's, you're able to mentor them up and then they become part of this.

team so as I think as the team gets bigger it gets stronger and likewise you you keep growing so it really works well.

Ryan Newman (29:18)

But

culture is so important. You know, it's been said by many that culture eats strategy for lunch. And clearly, being founded on St. Patrick's Day, that's a great way to start out and good culture. you have an employee here today that's been here for 42 years, whose last name is not Parsons. And so that tells me right there that there's incredible culture. Can you talk about, the culture of the company?

Jerry Parsons (29:35)

No.

I think the culture goes way back to our roots too, and it continues today. And I think everybody's working together. You're certainly working all of our people, you respect each other, you're driven by innovation, keeping the customer happy. And then you're getting in there rolling your sleeves up and working right with them. For example, Mo here, you know, we worked side by side for many years learning together.

Right? And so everybody becomes part of the same team. And in a sense, it doesn't matter what anyone does, what you're doing, you're just part of the team.

Ryan Newman (30:20)

And then how about expansion? So you talked about having all these office locations. So you talked about the expansion across the U S but I imagine you had to expand beyond the U S as well. Can you talk about that in terms of your overall expansion?

Jerry Parsons (30:30)

Yeah, we really grew fast in the United States. At one time, we were bringing up these new big facilities, like every two months. It was like, you know, to get to the 80,000, I mean, it was like really hectic. What that taught us was you certainly need to invest. So you're constantly investing in these facilities, not to make money, but to make sure you do what you said you would commit to.

And that becomes a driver for CTDI. Well, we say, we'll have this up in four months. So you got to just do it. No, we've had a bunch about it. But then along that way, because you grow so fast, you really then have to build good organizations. So if you look at our company today, they're especially on three G's and all, they're excellent at building organizations and keep up with the demand.

You know, we learned the hard way at the beginning, working 16 hour days trying to fix it. We're always committed to the customer, keep the customer happy. And the way to do that is to build good organization, hire really good people, and then you have to treat your people good. Be honest with

Ryan Newman (31:44)

So you think about legacy and the future. What are some of your thoughts about that?

Jerry Parsons (31:49)

Well, right now I'm retired. My brother Leo is just getting ready to retire. So now there's three Gs, there's 12 of them. Wow. I think the legacy is supporting them and that they continue on with having a good CTDI. And really what I was thinking about is a drive to our mission statement. And that is to be the best second to none.

in the communication service sector. just, you know, that's the legacy, make sure we're the best and then see where that takes us. What we did international for about 10 years, we thought we were really smart and we went out and we had two facilities, one in Egypt and one in the UK. We did that for about 10 years. And the reason we were there is they both talked English and they both use American product.

Right. But that was not a good strategy. After about 10 years, that didn't grow too fast. Now, this was many years ago. About 25 years ago, big phone company, Twitch and Telecom, it was the size of Verizon, came to us because we had this reputation to be a really good repair company in the States. They came to see us and they said,

were in the repair business that they were, and we're not good at it. And we know you are a CTGI. We want you to come take over our repair business. They had about 400 people in Germany. Long story short, went over and we bought 51 % of that business. And they had 49 because they wanted us to run it. If you fast forward now, we own a hundred percent of it. They had three facilities when we took it over.

And we now have 22 facilities with 4,000 people. And they're real happy. And we took all the people that came over. We're still there, retired. We looked at this opportunity to make this acquisition, which said that was a risk. But what we looked at was we've been doing this for 10 years and haven't done anything. We grew 5 % a year, which was not doing much.

Or we could take this risk by doing this big 400 people to grow Europe to where it is today. And we dare to disrupt that. You know, our model and said, no, let's make this investment. And 25 years later, it's successful.

Ryan Newman (34:32)

Yeah.

You talked about your dad and his goal was 20. Gosh, if I could just have 20 employees, right? Yeah. I thought that's what it would take. You have over 20,000 employees today. What would your dad say today if he saw what you've done with the business and your family?

Jerry Parsons (34:45)

Oh, you know, he would be real proud of the whole company. You know, not certainly of the family, but of the whole company. And he would just say, wow, that's amazing. Because we're still using the same exact values we had 50 years ago. You know, working hard, using our technology and keeping customers happy. He would say that's 20,000 families.

20,000 families that the Parsons are supporting. that's, he would love that.

Ryan Newman (35:20)

incredible. For all those Penn State Brandywine students out there, you made a reference a couple times to having some siblings that were really great academically and it really took being in more of that smaller classes that allowed you to really kind of take off. Can you talk about just what it meant for you to come to Penn State Brandywine and what would the Jerry Parsons showing up on day one on this campus at Penn State Brandywine, what would he say about the Jerry Parsons of today and what do you wish you could tell him?



Jerry Parsons (35:49)

I think when you're starting Penn State Brandywines, it's just such a great environment. You're comfortable. And for me, I was just an average student. Find yourself where you want to be. But what I love to tell young students is that the most important thing they can do is to get their degree.

So I've talked at commencements here and I say, yeah, this is your ticket. And that's why I love Penn State Brandywine because it really gave me my ticket. Because I was educated as an engineer, I was able to then open that world up to me. That's my message to them is get that degree. You don't know what's ahead of you, but having that ticket is really important.

Ryan Newman (36:40)

So we'll ask you some quick rapid fire questions and then we'll go to our guests. What is your favorite thing about Penn State?

Jerry Parsons (36:45)

My favorite thing about Penn State is what I just said. It gave me my ticket to do what I do.

Ryan Newman (36:50)

What is the best advice you've ever received?

Jerry Parsons (36:53)

best advice I ever received was from my father and we were talking business. I think I was doing something, says, we can't be doing it that way. And his advice to me was, don't take it personally, it's business. Not always easy to do.

Ryan Newman (37:14)

What is your superpower as a founder?

Jerry Parsons (37:17)

I think my superpower is I love to innovate and think of things and I work very hard.

Ryan Newman (37:25)

What's one myth about launching a startup that you think needs to be debunked?

Jerry Parsons (37:30)

I think the myth is if you're going to get into new innovation, entrepreneurship, it's not magical. It's you have to have a good idea and you have to work hard.

Ryan Newman (37:42)

What's your favorite way to unwind after a long day?

Jerry Parsons (37:45)

Well, I'm not sure I can always unwind, but I would say the best thing is having a nice glass of wine with my wife.

Ryan Newman (37:53)

And last question, what does disruption mean to you?

Jerry Parsons (37:56)

I think disruption, I think it's a great question. I think it's having a great idea, being aggressive, go after your competition and go after market share. That is disruptive.

Ryan Newman (38:11)

We'll take a couple questions from our audience.

Audience Member (38:13)

Excellent. Thank you, Ryan. Jerry, one question I have for you as a great business leader. What is your view on philanthropy and how has CTDI been involved in philanthropic activity?

Jerry Parsons (38:27)

Thanks for bringing that up. I do think philanthropy is very, very important to all of us. We're blessed to be where we are. And I think it's our responsibility to be given back wherever we can. So I've always done that. And certainly for the Parsons too, comes from the family, from my parents and things like that. I have a wonderful philanthropy here at Penn State Brandywine. I, you know, I was out.

running the business and all this stuff. And it was probably, I don't know, maybe 20 years ago, I went to some 30 or 40 year anniversary of Penn State Brandywine and I hadn't been, I hadn't been involved for 20 years or so. And I went to this event, met the chancellor, Sophia at the time, and I said, oh, well, you know, maybe I'll get involved. She didn't really know who I was. And then it started clicking.

And I got involved and the first thing I said was, because I remember coming here and having to drive my old beat up car home. And I said, you know, it would be so much better if we could have residence halls here. And that was a philanthropic effort I had with Penn State Brandywine to try to move forward with the residence halls. And I think you'll see the results today. It's a wonderful, wonderful campus. Philanthropy is very important.

Audience Member (39:53)

Jerry, my name is Matt Cabry and it's great to see you. Thanks for being here today. I've learned a lot about you in this short time that we spent together. We have a lot of things in common, including Penn State Brandywine and that old beat up car.

I'll share with you a couple of things because today I run an organization called the ideas times innovation network. I to win it's part of the Chester County economic development council. And I know we've talked briefly about this before and Gary Smith says to say hello, but I have the great privilege of working with this awesome guy over here, Tony Matty, who runs the Brandywine launch box. I have a two part question for you real quick. One is take me back to 1974, the fall, maybe early 1975, you and your dad.

Never have that conversation. Where would Jerry Parsons be today if your dad didn't retire at 51 or 52 from the phone company and didn't come to you and say, Hey, I have this idea. And my second question is tied to the whole idea of entrepreneurship. Talk with us a little bit about the intersection of recognizing the importance of relationships, seeing the opportunity that's in front of us and having the courage to take that risk and try new things.

Jerry Parsons (41:06)

First

ones, my wife and I talk about this a little bit, not often, but yeah, what if we didn't have CTDI? And to be honest with you, I think we'd be as happy as we are today. I would probably have retired from the DuPont Company. I did well when I was working there, I was very young. I probably would have climbed the corporate ladder pretty well, might have died of a heart attack because of the stress in the corporate world.

which is different than the family world. I think we both believe we would still have our family and I wouldn't have as many homes as I have, you know? But I think we'd be as happy as we are today. The other one is, you know, I think the idea of relationships, which gets a, I think when relationships come in front of you or in opportunities, I think the idea is to really look at them.

And I think I would have probably still do have done that. And if something came up and maybe I would have done something different, but it's certainly important to have that. But I think the drive I have is I love innovation. think even with DuPont, I would have continued to do that. And then it's where, where do you go? And then it becomes a matter of risk. Are

you willing to take a risk? We, and we talk about taking risks, but you always have to keep your risk within the realm of what you can handle.

You can't have your rest way over here and your resources are over here. So you got to tie those two together.

Audience Member (42:41)

Jerry, thanks for all your comments. Ryan touched upon the family business and you talked about culture and character. And I'm really intrigued because as you and Eleanor are involved in the business, you have a growing family. And how do you make all of that work? I mean, we hear the horror stories about family businesses and people not getting along. You seem to have an incredible family.

How does all that work, behind the scenes stuff that has really been successful for you?

Jerry Parsons (43:17)

think it's a good question that you do think about because other people don't do it. One thing that always kind of hits me, it's, why wouldn't you do it? Right? I mean, we were growing up to respect each other and share, to help each other. So it's like, you almost flip it around a little bit and say, well, why wouldn't we do that?

And then you can say, well, it's easier to say to do that than how did you get, how can you stay at that point? And I think the way to stay at that point to say, well, why, wouldn't you respect everybody, you know, in our family? Then I think what you have to do is say, you know, make sure you're sharing, you're, you are helping people. You're caring for people. You're fair. You know, you see in the business world, one person might have all this.

Yeah, whether it's to share the company or whatever, and my team's, you know, spread it out and be fair about it. And that allows you to say, why would you be disfronted? Right? And if you look at somebody and say, well, I think I did everything that was fair and being a

good person, then it's like, well, you might not agree with that, but at least I would agree with it. You know, does that make sense? You have to be a nice person.

But why wouldn't you be a nice person? So this is a bit of a more pragmatic question, I guess you could say, but you have an impressive list of clients that you work with, with customers. And I'd be interested in learning about ~ any type, you're dealing with a lot of like IP that they have a lot of hardware software. And I'd be curious if you ever had to face like a non-compete agreement or anything like that. And how did you, how did you navigate that? Yeah, you certainly have non-compete.

from a personnel point of view that you need to respect that, all that. But the intellectual property, it's a tricky game when you're dealing with this different pieces of hardware and software. So you just need to make sure you understand what you can do in those realms. Don't be too aggressive. You can't do something that's not legal, say.

But one of the interesting things here, at the very, very beginning, Western Electric was saying to Bell of Pennsylvania, I'm not going to let somebody touch this board because of my intellectual property, right? You're going to disrupt the central office switch. So you got to, my father, he could have backed right down and given up, right? But dare to disrupt.

Well, what do you mean? You have terrible service. I have a business here. Keep going at it. And the end result of this was Bell of Pennsylvania owned this asset. They had paid for this asset, just like you pay for your car. And are you able to go take your car to Walmart and get a new battery? Right. And that was the premise that they use.

I own this asset, I can go put a different battery in this different thing. Now, easier said than done, there's some proprietary parts on here, but that's the kind of thing. And it took a lot of persistence, a lot of strategies. So all through our history, you're battling that. And it's a very good question, but as part of being good at the business side to maneuver through that.

Ryan Newman (47:06)

Hey Jerry, you talk about circuit board, right? Set-top box and then smartphone. I want to take your brain. What is next? And then how do you view about AI? It's like, how is it going to get into the same business that we are doing?

Jerry Parsons (47:23)

Well,

let me take AI first because my son Michael's right here. He loves the AI. I love it too. But he's more engaged at it. We embrace AI in a sense, no different than we embraced this 20 years ago. Go embrace it, understand it. We're all over robotics, automation, things like that. But AI is a lot bigger than that, right? It's all the data.

And I think we need to just keep learning and learning AI, but AI for any business, you know, if you're going to succeed, you need to be into it. Michael in particular is still figuring out how to do that. But that's, that's what the third generation will be figuring out. Then I'll be off to decide kind of playing around with it. But they're going to need it to really run the business and they're doing that.

What's next? That's a really good question. I have been for 50 years, maybe for 40, saying what's next. The other thing, keep in mind, you always don't hit winners. Dare to disrupt. You'll try to dare to disrupt. You're not going to hit every winner. You learn from your mistakes, right? Now the winners we're talking about here, they've been very good and overall we've done a good job at it.

So I've been asking for many years what's next. I picked this one, we picked this one. I think our third generation is looking at what's next. I will tell you a big part of what's next is automation in the logistic businesses.

Ryan Newman (49:10)

Jerry, that was enlightening. Thank you for coming to our campus and sharing this with everybody. I want to thank Dare to Disrupt for coming out to campus, Katie, Ryan, and the team for making it out here. And so we can show everybody a great story of Jerry and CCDI and visit our campus. I want to thank you for everything you've done for Brandywine over the years. And it was great story.

Jerry Parsons (49:35)

Thank you for Penn State Brandywine. All right. Let's get right.

Ryan Newman (49:38)

Give a big round of applause.

That was Jerry Parsons, co-founder and chairman of CTDI. This episode was produced and edited by our executive producer, Katie DeFiori, with support from Penn State Brandywine AV team. Be sure to follow Dare to Disrupt wherever you listen to podcasts. Thanks for listening.