

## Richard Koch President and CEO RNK Communications

by Ted McKenna

RNK Communications doesn't take a radical approach in its efforts to expand, and considering that the privately held, Dedham, Mass.-based CLEC is now about 10 years old with \$70 million in annual revenues and 140 employees, that strategy seems to be working.

President and CEO Richard Koch, who began his career as a high school teacher, developed the first online service in Boston, and ran several other telephone-related businesses before co-founding RNK with business partner Joy Tessier, says his company avoided the usual CLEC temptations to go into debt and develop extra capacity "just in case."

"When we started, we bought one switch, because we had customers for it," says Koch, whose company acts as a wholesale service provider to other carriers. "And the only reason we put out other switches was that we had customers waiting. Switch providers would ask how many switches we wanted. 'One,' we'd say. 'No, you want five,' they'd say."

But Koch knows all about sales tricks, having spent summers and weekends selling balloons in Faneuil Hall and elsewhere in Boston to supplement his teacher's income. "I used to have somebody dressed up as Darth Vader, and sell those silver Mylar balloons," he says. "Then at night I'd take off the costume and sell them as disco balloons. You'd have a boyfriend who'd buy a whole bunch for his girlfriend."

### **Did it get hot in the Darth Vader costume?**

Yeah, but I'd have other people doing it. I'd sell 1,000 to 1,500 balloons a day for \$2 a piece, and they cost me 43 cents a piece to make.

### **Not bad money.**

No, it's great money. All cash.

### **Do you need a license for that?**

You need a street vendor's license. You just go to the state and apply. You were supposed to be able to sell balloons wherever you wanted, but I couldn't get near Fenway Park, and I once had a fistfight with a guy between Charles Street and the Boston Common, because I was going to sell balloons there and the guy said: "This is my territory. You've got to get out of here!"

### **Did you have trouble with kids bothering you or stealing stuff?**

Not so much. People liked it; I sold a lot of balloons. I'd say to kids, "You've got to tie these on; that's the rule." One time a guy said, "Oh, you don't have to." So I gave the balloon to his son, and he said, "Do not let go," and I saw the kid's hand turn white as he held the string.

### **What do you like to do when you're not working?**

I'm 60 years old, but I still play basketball. I have a good time, running around with guys who are 30 and out of breath. I ask, "How old are you?" "I'm 34," they'll say, and I say, "Good!" My other hobby is I have a new granddaughter: She's a year old.

### **Being a teacher was probably good experience for looking after employees.**

The teacher is good for personal problems and he's also a guidance counselor. When I explain things, people say that was really well-explained, and as I walk away I'll say to myself, "What I really did was an eighth-grade lesson plan." You tell them what the objective is, give them a little bit of homework, you praise them, and everybody's happy.

### **And selling balloons was probably good sales experience.**

I enjoy talking to people, and a lot of people like us and our company. Someone just said yesterday, "I get better pricing elsewhere, but I like you people better." Sometimes you can get a better price but you don't trust somebody. It's all relationships we have. There's a pillow on my coach with a quote from Winston Churchill: "We make a living by what we get, we make a life by what we give."



*Richard Koch  
President and CEO RNK  
Communications*

*Age: 60*

*Resides: Sharon, Mass.*

*Length at Current Position:  
10 Years*

*Education: B.A. in Chemistry,  
Boston University; M.S. in  
Education, Boston State  
College*