

## ‘You always have to be looking to find a need to fill.’

**Darren Metz**  
President and CEO, Memphis-based NovaCopy

BY ROB ROBERTSON

Darren Metz knows a thing or two about success — and failure.

Following the death of his father in 1986 he took over the family office supply business, OES, which at the time was primarily involved in the declining typewriter and calculator industries. Soon after he took over the company, the bank foreclosed on OES and the business was on the verge of going into receivership.

Metz's father had founded OES in 1972, and to save the company, Metz quickly reorganized OES to reflect changing technology and moved the company from typewriters into computers. The move staved off

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**Age:** 41

**Hometown:** Memphis

**Education:** B.A., UT-Knoxville; Master's, University of Memphis

**Family:** Wife, Melissa; twin daughters, Piper and Reilly, 4

**Hobbies:** Spending time with family

**What he's reading:** *Soul of a Child*, by Michael Gurian

collapse and illustrated a successful business philosophy that Metz would learn to rely on in the future — the necessity of adaptation.

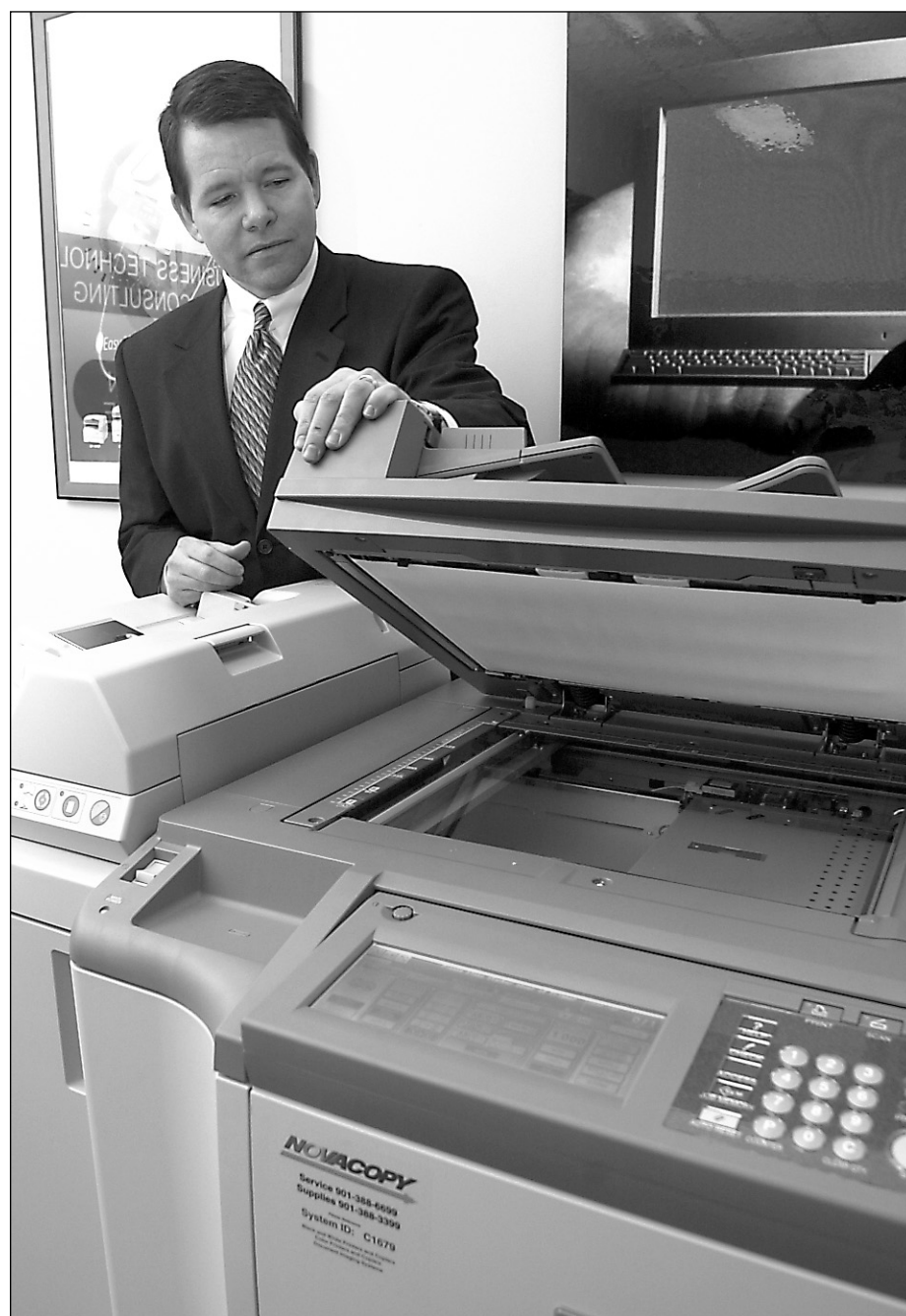
“You always have to be looking to find a need to fill,” Metz says. “You need to keep changing with the needs of the customer. We went from adding machines to calculators to typewriters to PCs to computer networking.”

From the early to mid-1990s, OES was a successful computer networking company for businesses that needed vendors to help run their systems, but by 1997 the market was changing. Mergers and acquisitions were becoming commonplace in the industry, and Metz decided to merge with U.S. Office Products — a comparatively huge company covering a variety of business with assets of more than \$4 billion.

It proved to be a near disastrous decision. U.S. Office Products failed less than a year later, taking OES with it. But Metz had seen trouble brewing before the failure and hedged his bets.

“I was in pretty good shape financially even though I was on the verge of unemployment because I saw it coming,” Metz says.

In advance of the fall of U.S. Office Products, Metz started two companies — Freliant, an application service provider that was nominated for the



ALAN HOWELL / MBJ

*Memphis Business Journal's* Small Business Awards in 2000 — and the much less-heralded NovaCopy, a copier sales and supply shop.

Freliant was considered a lock in the emerging online services industry. The concept was to eliminate file servers in customer offices; customers would pay a fee for Freliant to run programs from a central data center.

“I invested a ton of money for that business, raised money from other venture capitalists and in 1998 it seemed like a great idea,” Metz says. “When the dot-com bust happened two years later it seemed like the worst

mistake I could've made. I lost a tremendous amount of personal money, time, effort, heartache and emotional investment in that business.”

Freliant eventually just ran out of cash, and Metz was forced to sell the company to a competitor for pennies on the dollar. It also made for a mad last-minute scramble to get the company removed from consideration for the Small Business Awards.

Metz went from a multimillionaire to being almost broke in a year's time. “It was very much a gut check,” he says. Meanwhile, NovaCopy was still

grinding along, though without much capital and little interest from investors. It had eight employees at the time, but Metz admits he wasn't there a lot.

After discussing options with his wife, Metz decided he would put his energies back into NovaCopy.

It turned out to be a wise move. After less than three years under Metz's full attention, NovaCopy went from one office to three, from eight employees to 85 and from \$800,000 in sales to \$13 million. It has been ranked among America's 50 fastest growing firms.

“It has really been an uplifting experience, to be able to rebound from failure to succeed again,” Metz says.

“Darren is a very strong, hard-working professional who has seen and

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been through a lot,” says Sudhir Agrawal, a financial adviser for American Express who has known Metz for more than 10 years. “By going through those up and downs he has come out a stronger person for it. He's learned from his experiences how to be a better businessman — how to recognize new angles and possibilities — and he's become a better person who will do anything to take care of his family.”

Metz says with some major customers like First Tennessee Bank, the future is bright for NovaCopy.

“I see the copier as a network peripheral, not simply a stand-alone device,” Metz says. “We've been able to go in and almost overnight build this company into a major player in this market because we know a customer's entire office document needs — not just the copier needs.”

He plans to open new offices soon in Atlanta and Jackson, Miss.

“I've been through a lot, but I've learned a lot, too,” he says. “I'm very excited about what the future holds.”

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