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Radial: A new name for retail-logistics firm eBay Enterprise

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After five years as eBay Enterprise, the \$1 billion-in-annual-sales, King of Prussia-based, 7,500-worker retail-logistics company founded as GSI Commerce is back as an independent firm with a new name, Radial.

"We were the smallest business unit in a big public company. Now, commerce technology and commerce operations is the only thing we do," Radial chief executive Tobias Hartmann said before Tuesday's planned unveiling of the new name at the company's headquarters.

Hartmann said that the firm has grown beyond taking clients' customer orders and shipping products from its warehouses in Southern states, Canada, and Europe. Now, he said, it sells everything from advice to factory-to-truck ordering, tracking, scheduling, payment, and protection service for hundreds of retailers, including DSW, GameStop, and DestinationXL.

"Consumers are dictating what they want to purchase and when," and that gets complicated, Hartmann said.

"That consumer may be closer to a store in King of Prussia than a warehouse in Kentucky. We have the distribution center; we have the technologies and apps for inventory and order routing; we have the payments and algorithms for tech systems, payment systems, customer care, and fraud prevention. We plan the routing for the truck companies. We are the partner behind the scene," he said.

Though sales and overall head count are up thanks to acquisitions, Radial employs 700 at its newly consolidated headquarters in King of Prussia, down from 1,000 when GSI was sold.

"We're going to need additional tech talent," Hartmann said.

A key hire is Stefan Weitz, chief product and strategy officer, who spent 18 years launching products for Microsoft.

Even well-known retailers such as Macy's and Nordstrom - a chain that rapidly invested in e-commerce - are facing credit-rating downgrades as costs rise and profits slip.

Weitz said retailers are trying to simplify ordering choices while also trimming delivery costs, which can eat up to a third of order values, and still meet on-time and low-fee standards set by online giant Amazon.

"Consumers don't just want a website. They want the whole experience, from shopping cart to customer care, to say when and where it arrives," he added.

"It's one of the most fascinating computer-science problems, moving objects through space hundreds of thousands of times a day. That is an amazing problem for any scientist or engineer," Weitz said.

Working sometimes with law enforcement, Radial's fraud unit pinpoints products that attract thieves (jewelry, electronics), high-fraud days during the Christmas sales season, and patterns pointing to phony purchasers in sales-tax havens such as Delaware and Oregon.

Weitz named Philadelphia-based Urban Outfitters as one of the few retailers successfully balancing online and store sales, and expressed the hope that Radial will, as it grows, open software-development offices in a city location as cool as Urban Outfitters' renovated Navy Yard complex.

Hartmann joined what is now Radial in 2011, the year founder Michael Rubin sold publicly traded GSI to online-auction giant eBay for \$2.4 billion so Rubin could concentrate on his original business, Fanatics, the online sports-team clothing company.

Hartmann seeks to lead steady growth at a business that has seen quick turnover in the corner office. In the fall, he replaced Craig Hayman, who went on to run Boston-based Internet of Things software provider PTC Partners, which spent more than \$100 million each acquiring ThingWorkx of Exton and ColdLight Solutions of Wayne.

Hayman had replaced Chris Saridakis, sentenced to 15 months on a federal insider-trading conviction in 2014 for helping friends cash in on the GSI sale.

Offering clients such as Toys R Us and Dick's Sporting Goods competitive online services, eBay hoped to rival Amazon as an online retail provider. But some of its corporate clients replaced eBay Enterprise and developed their own online operations. Last year, under pressure from activist investor Carl Icahn, eBay sold the group to private investors for just \$925 million.

Investors Sterling Partners and Longview Asset Management combined eBay Enterprise with Georgia-based rival Innotrak to form Radial.

Three specialized tech and marketing units were broken off from Radial by private investors and now operate as separate firms: Pepperjam, in Wilkes-Barre and King of Prussia; Magento Commerce Technologies, in Campbell, Calif., and a customer-relationship management group sold to New York-based Zeta Interactive.