

Perfect Fit

Ambit Energy's founders formed a partnership at the right time to launch a company that is growing at warp speed.

by David Lee
Photography by Mark Perlstein

Walk into Ambit Energy's office in downtown Dallas and you instantly know that something is different about this company. From the hardwood floors to the concrete pillars in the old FBI storage building the company calls home, the openness and genuineness of the place is a testament to the company's culture.

There are no closed-door, posh offices—what you might expect to see on the “executive floor.” The reality is quite the opposite. The company's executive team, including founders Jere Thompson and Chris Chambless, works day after day in one large room behind \$19 folding tables.

To be sure, Ambit can afford better (much better), but the company's focus is not on fancy offices. The openness promotes an atmosphere of communication, accountability, approachability and teamwork. “It's hard to get arrogant behind a \$19 folding table,” says Jere, who serves as CEO. “We decided to have this openness to create and foster communications amongst everyone. The foldout tables were really a part of my philosophy that all of our money ought to go to systems and people.”

It's a culture that Jere and Chief Marketing Officer Chris wanted to create when they launched Ambit in early 2006. The two come from different business backgrounds and bring different perspectives, but together they make a perfect pair.





Ambit Energy Founders
Chris Chambless (left) and Jere Thompson

Seizing Opportunity

Coming from a family of entrepreneurs, Jere has always had a mind for building successful businesses. He became fascinated with fiber optics in the 1990s and researched how this developing technology would change the landscape of long-distance phone service. So his company, CapRock Communications, began building fiber optic networks and expanded across the Southwest. CapRock was the fastest-growing privately held company in Dallas in 1996 and eventually employed more than 1,300 people.

Jere later sold his company, but the entrepreneurial spirit still burned in him. He decided to get back into the telecom industry, but this time, the overall landscape of the industry was changing drastically. The window of opportunity that led to CapRock's success was now closing. "It's a great lesson, this window of opportunity—sometimes they are opening and sometimes they are shutting," Jere says. "And I was trying against all odds to keep a shutting window open."

Those lessons learned in the telecom industry set Jere up for a coming opportunity in the deregulated energy industry that was far greater than anything he had experienced before. The similarities between the two industries excited him, and he knew he could use the lessons he learned in the telecom industry to create a strong foundation for a successful energy company.

"There are so many similarities between deregulation in telecommunications, which is a gigantic industry, and deregulation in the energy industry, which is a much larger industry," Jere says. "There are similar back offices, billing call centers,



Entrepreneurship Is in the Blood

Ambit Energy Co-Founder and CEO Jere Thompson has a family history of forward-thinking entrepreneurs who know how to spot opportunity. In the early 1900s, his grandfather worked in an icehouse in Dallas and delivered ice around town. After college he went into the ice business and eventually started selling ice-cold watermelon out of the icehouse. It was a huge hit. Sensing a terrific business opportunity, Jere's grandfather began stocking the icehouse with grocery essentials such as milk, butter and eggs. People would stop and buy these items instead of traveling into town to the grocery store.

"He saw this window of opportunity to go ahead and put all of the grocery items in all the icehouses, and the competition thought he was crazy," Jere says. "Everybody else in the ice industry said you couldn't sell groceries items."

But it wasn't long before automobiles became a major form of transportation, and to keep up with

changing technology and a growing demand, Jere's grandfather opened a few more icehouses and stocked them with grocery goods. It kept growing, and Jere's father and uncles eventually started working in the family business.

Around the time of World War II, he contacted a local advertising firm to help advertise his businesses. When the firm said they would call back when they had an idea, he told them that his business was open from seven in the morning to 11 at night. That's all they needed to hear. The 7-Eleven stores were born.

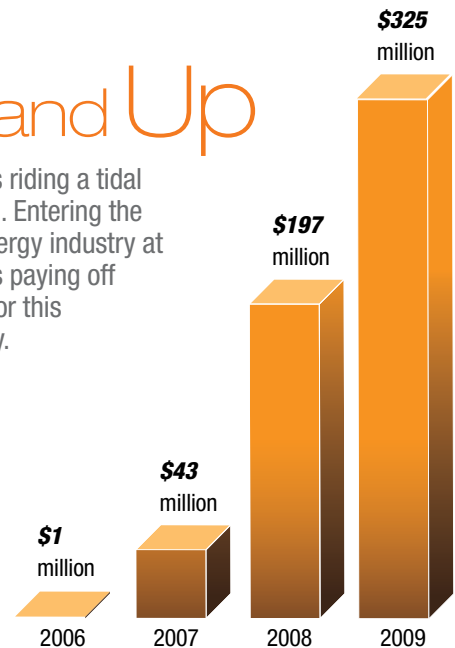
Today there are more than 35,000 7-Eleven stores—more than any other retail store in the world. Jere's family is no longer involved in the business, but is proud to see it flourishing.

"My grandfather believed in hard work, and he made certain we were active every summer working hard somewhere in the organization," Jere says. "I guess I grew up seeing that entrepreneurial spirit and always wanted to do something on my own."



Up and Up

Ambit Energy is riding a tidal wave of growth. Entering the deregulated energy industry at the right time is paying off tremendously for this young company.



a few days later to discuss energy deregulation and if the idea of a direct sales energy company would work. "I thought about it over the weekend and called him on Sunday and said, 'Let's do it.' On Monday, we started the process of building Ambit Energy," Jere says. Their vision was to create the finest and most respected retail energy provider in the country.

All Systems Go

Coming from fast-growing startup companies, Jere and Chris knew they needed back-office systems that could handle the kind of rapid growth Ambit would soon experience. So Jere reached out to John Burke, another telecom veteran with extensive experience, to lead the company's effort to build their own platform. It was the only way to do it right. "Our commitment at the very beginning was to make certain we had the systems required to scale the organization and manage it once it grew large," Jere says. "We had to be able to handle 10,000 new customers a day with nothing ever falling through the cracks."

The two were determined to bring in a management team with experience in fast-growing startups.

Together they laid the groundwork, built the compensation plan and recruited their first independent energy consultants.

That was in 2005, and Ambit's growth has skyrocketed ever since, reaching more than \$325 million in sales in 2009. Chris's background with Excel and Jere's background in telecommunications form an ideal combination to lead Ambit.

A People Business

Unlike traditional advertising, direct sales is a "pay-for-performance model," as Chris calls it. "It's an incredible model," he says. "Like other businesses, we pay millions of dollars a year to acquire customers. But, unlike those models, we only pay after the acquisition and we have the privilege of paying those dollars in the form of weekly and monthly commissions to ordinary people who are trying to pay their mortgage, educate their children and get ahead."

Ambit consultants enjoy residual income month after month from customers they refer who pay their energy bills. That's what attracted

Chris to the idea of offering energy through direct sales. "What I love about electricity and natural gas is the fact that you don't have to sell it," Chris says. "Everyone is already using it; it's simply a question of whether or not they want to save money."

With a service like energy, there are no products for Ambit to manufacture or distribute, which allows the company to focus on supporting and developing their systems and sales force. Ambit is more about people than products.

"Everything is about people," Jere says. "If something good happens, it's because of people. We are now at a stage where we are attracting incredible people—people we could have never imagined would have come here at the very beginning."

Jere's vision and focus has put Ambit on a path that is revolutionizing the energy industry. His leadership combined with Chris's ability to lead Ambit's field of consultants form a duo that is improving thousands of lives through an unmatched opportunity. **StH**

marketing and operations. It's just a different product. So I felt we could transition out of telecom and get into energy."

But how could Jere's new energy company acquire customers at a low cost and retain them? One of Jere's employees suggested that the kind of customers he was after could be attracted through direct sales. He suggested Jere meet with Chris Chambless, who had been an executive with Excel Communications. Excel had been one of the fastest-growing companies in the country, and it operated in a deregulated industry and also used direct selling as its distribution model. Chris was a perfect fit.

"When you look at what Chris went through at Excel, you realize that he has a set of experience that is very rare," Jere says. "He witnessed firsthand what worked and what didn't."

Jere and Chris met over lunch

Ambit Energy's Executive Team

Cynthia Williams Young

Chief Service Officer

Cynthia Williams Young is Ambit Energy's chief service officer (CSO). She is responsible for overseeing the company's People Department, Internal Training, Administration, and Customer Service, both internal and external.

Prior to joining Ambit, Cynthia spent much of her career at Southwest Airlines, where she served in a succession of leadership roles focused on labor and employee relations, communication, and the delivery of internal and external customer service. Her key responsibilities in each role included leadership and communication coaching and identifying and solving challenges that jeopardized the company's unique culture. She served on numerous boards and committees concerned with communication and employee issues, such as the Best Place to Work Strategy Team, and was a founding member of Southwest's Diversity Council.

Cynthia taught marketing and distribution in public schools for seven years and served for three years as a caseworker for Child Protective Services. She holds a bachelor of science degree from the University of North Texas.

Chris Chambless

Chief Marketing Officer

Chris Chambless is the co-founder and chief marketing officer of Ambit Energy. He oversees all marketing, sales, communications and field development.

As an early member of the management team at Excel Communications, he was responsible for all aspects of the company's marketing and communications organization. Most recently, as the vice president of marketing at VarTec Telecom, he was responsible for all aspects of the company's marketing strategy, including brand development, channel integration strategy, sales management and new product development.

Chris received his B.A. in English from the University of Texas, Tyler. He is an active board member of the Economic Development Corporation in his community.

Jere Thompson, Jr.

Chief Executive Officer & Co-Founder

Jere Thompson is the co-founder and CEO of Ambit Energy. He manages the entire executive team and all company operations.

He has more than a decade of deregulated utilities sales experience, including natural gas and electric sales experience. In 1992, Jere was also at the forefront of the telecommunications industry as it deregulated. He founded CapRock Fiber Networks to build fiber and broadband networks across Texas. As CEO, he guided CapRock into new markets, took the company public and managed its growth from infancy to 1,300 employees and \$300 million in annual revenues.

Jere received an A.B. in economics at Stanford University and an MBA from the University of Texas at Austin. He sits on the boards of several civic organizations and was also chairman and a member of the Board of the North Texas Tollway Authority for more than 11 years.

Ambit Energy is structured to serve its customers and to help its consultants grow their businesses, and that all starts at the top. That's why Ambit has brought together a carefully selected and talented management team from various backgrounds. These five individuals are overseeing the expansion of one of America's fastest-growing companies.



John Burke

Chief Information Officer

John Burke is Ambit Energy's chief information officer. He manages all IT staff, systems and strategy, as well as the company's Project Management Organization.

He has more than 15 years of leadership and consulting experience working in the electric utilities, telecommunications, financial services, venture capital and software development industries. John has held several leadership roles, including the COO of a billing application service provider, CIO of a Verizon call center, and VP of development for a retail financial transaction service provider.

John earned an MBA in information systems from the University of Texas at Austin and a B.A. in economics from Rutgers University, where he graduated with highest honors. He is a member of Phi Beta Kappa and has served as a representative on the University of Texas at Austin Graduate School's Information Management Steering Committee.

Beau Paradowski

Chief Financial Officer

Beau Paradowski is Ambit Energy's chief financial officer. He is responsible for accounting, finance, energy procurement and billing.

He brings more than 18 years of experience in corporate finance, accounting, treasury, mergers and acquisitions, and investor relations. Prior to joining Ambit, Beau held CFO positions at Turbine, Optasite and Clearwire, each allowing Beau to demonstrate his strong leadership and financial acumen by creating significant shareholder value, effectively managing internal and external customers and developing strong employee relations. Beau also spent four years in public accounting, developing his functional understanding of accounting principles as a senior auditor at Coopers & Lybrand.

Beau graduated *cum laude* from Texas A&M University with a degree in accounting.