

“OUR PURPOSE IS TO MAKE A POSITIVE DIFFERENCE.”



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CUBIC CORPORATION IS KNOWN AS AN INDUSTRY LEADER IN INCLUSIVITY, INNOVATION AND SUSTAINABILITY. BUT CHAIRMAN, PRESIDENT AND CEO **BRAD FELDMANN** BELIEVES ITS TRUE STRENGTH LIES IN THE CULTIVATION OF A CULTURE THAT PUTS PEOPLE FIRST.

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Though it's one of the biggest providers of integrated solutions for transportation and defense in the world, Cubic Corporation's Chairman, President and CEO Brad Feldmann believes the secret to its immense success is never forgetting the simple ethos at the core of the business: that it's here to help. "Our purpose is to make a positive difference in people's lives," he explains. "Our job is to serve people, not to sell them anything, not to get them to do anything. And when your heart is about serving people, I think that shines through – they can tell that's our motive."

It's a mentality that has served Cubic well over the years, garnering a reputation as trustworthy as

well as people-focused. But while many businesses may claim that this is their intention, Cubic has put its money where its mouth is, proving time and time again that these are anything but empty words.

ADAPTING TO THE NEW NORM

When COVID-19 and its trail of devastation first swept the world, many businesses balked at the financial losses and implications of the pandemic. But rather than standing by and waiting for things to return to normal, Cubic saw it as an opportunity for innovation, as well as yet another a chance to help the wider community.

"We started brainstorming right away, devising ways in which we could support our employees, »





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and our customers, as well as offer assistance to the wider community,” Brad says. “COVID-19 has caused so much uncertainty, so we have to manage that uncertainty and make sure we have all our bases covered. Our job is to think ahead and empathize, and come up with tangible solutions for our customers.

“Amazingly, we’ve been able to repurpose some of our capabilities. We have a sewing shop, so we’re now manufacturing face coverings, which we provided to all of our employees and their families. In addition, we’ve had the privilege of providing face masks to both the United States Navy and our mass transit customer, MTA, in New York City. We also repurposed some of the parts in our inflatable satellite communications terminal into a ventilator that went into trials with the FDA.”

However, Brad emphasizes that while continuing to operate and innovate is important, what is paramount is that Cubic’s employees are protected during this perilous time.

“Safety is absolutely critical – we have to actually care for our employees,” he says. “As well as providing face masks, we practice social distancing in our factory, we try to get all the information and we’ve made sure that all our frontline workers have the right PPE, sanitation and training. We’re implementing teleworking and looking at it being a major part of Cubic going forward. Unfortunately, we have had some people who have tested positive, so we’ve been making sure we ‘smother them with love’, so to speak. We check in on them, offer support, do tracing. Every single employee is important to us.”

And going above and beyond isn’t limited to those within the company either. The same applies for Cubic’s customers and partners – a sentiment exemplified by one client who told Brad, “I always thought Cubic was a very good company, but after this, I know you really are an extraordinary company, and I thank you so much.”

“I think, overall, this crisis has meant that we’ve gained more and more trust with our customers,” Brad explains. “Our businesses have been declared essential worldwide, so what we do is critical. We’re essential within defense training, as well as moving information around so that the US and its allies can return home safely after they’re done with their jobs.

“For the public as well, we’re assisting with transportation and are involved in getting people around the city safely. It’s encouraging to know that what we do does matter. I’m proud that we have an enduring purpose that we can all get behind.”

PERFECT MATCH

It is a company that has its fingers in many pies and under the Cubic Corporation umbrella sits Cubic Transportation Systems, which provides payment and information technology and services for intelligent travel solutions. There is also Cubic Mission and Performance Solutions, which produces not only realistic ground, air and sea training systems with specialized support services for military and security forces of the US and allied nations, but also offers networked command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR) capabilities for defense, intelligence, security and commercial missions. Cubic has 6,900 employees on six continents and boasts an annual revenue of US\$1.5 billion.

It’s not surprising then that Cubic was a perfect match for Brad, given that he could draw on his extensive business expertise in addition to his own background in defense. In addition to being a distinguished graduate of the United States Air Force Academy, he graduated from the Stanford Executive Institute and earned his MBA with honors from »

“Cubic Corporation and MasterCard are strategic partners. We work with transit authorities across the globe to expedite innovative no-touch transit solutions that get people where they need to go as conveniently as possible, using the payment device they already carry with them.”
– Carlos Menendez, President, MasterCard Enterprise Partnerships



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San Diego State University. He refocused into the corporate sphere for the next four years at ManTech International Corporation as Executive Corporate Vice President, Business Development and Strategy, before relocating to USProtect Corp for a year as President and CEO in 2005.

For the following two years, Brad served as COO at Omniplex World Services Corporation, a perfect training ground ahead of his move to Cubic in 2008. Once there, he served as President of Cubic Defense Systems and was named President and COO of Cubic Corporation in 2012, before being named CEO in 2014. During his six years at the helm, Brad has spearheaded numerous initiatives including the creation of the Cubic Innovation Social System – a framework that allows employees to rapidly transform ideas into differentiated, user-centric products and services that help resolve customers' biggest problems. Brad also fronted the development of Cubic's Global Enterprise Management initiative, updating the global IT infrastructure into a more efficient system.

INNOVATION, ALWAYS

In a new reality where contactless is key, Cubic is at the forefront of developments, digitizing its offerings to provide solutions for no-touch public transport to limit external interactions and support social distancing while permitting travelers to get where they need to go using their own payment card or enabled device. An extension of this ongoing project has been Cubic's partnership with the creator of the world's top urban mobility app, Mobility as a Service solutions provider Moovit.

"We've been really thinking about how we can get people back on to mass transit while dealing with the reality and perceptions of safety," Brad says. "Before COVID-19, we had already won five big cities in the last two years for ticketing systems of mass transit: New York, Boston, Brisbane, San Francisco and Chicago. What we're doing there is working very hard at further digitizing those offerings in the form of mobile apps and providing real-time information so patrons can not only understand on a personalized basis, but also pay for multi-modal journeys across the city."

Brad surmises that while fully open-loop transit deployments remain the best long-term solution for cities to deliver futureproofed digitization, cities that still rely on cash and manual collection methods need to act quickly to support their residents. But he emphasizes it's never too late to implement these



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processes, and that once Cubic has been brought on board, cities can expect to see transformation over mere weeks, allowing quick response and action to support essential use of public transit services – an invaluable system, pandemic or no pandemic!

In addition, through a longstanding vital partnership with MasterCard, Cubic has been able to help transit authorities accelerate deployment to leverage mobile-based ticketing solutions. This means travelers are able to use the device that they already carry with them to pay for trips. The combination of MasterCard's leadership in everyday payments and Cubic's extensive knowledge of transportation solutions means that users are being presented with a tailored and efficient experience that integrates into their pre-existing lifestyle seamlessly.

A SUSTAINABLE FUTURE

In 2020, as discussions about ethics and sustainability continue to dominate the news cycle across the globe, many businesses have turned their attention towards these oft-neglected areas of contention. However, unlike companies only jumping on the bandwagon now, Brad proudly explains that these principles have long been a priority for Cubic.

"Our offerings in general are more sustainable than many others out there," Brad continues. »



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“We are interested in economics, but we’re more interested in partnering over the long haul, building lasting relationships founded on trust, and I think that comes through.”

“Mass transit inherently helps the city in terms of reducing the carbon footprint. Our inflatable satellite communications terminal allows us to have less airlift, and training with simulation reduces the footprint there as well.”

Brad is adamant that sustainability practices should be part of every business model, and he hopes that by heralding Cubic’s involvement in the public domain, it can hopefully serve as a role model for other companies to follow suit. “It’s important to us that we operate in a responsible way,” he elaborates. “We’re very strong on ethics and anti-corruption. We recently signed the United Nations Global Compact and have hired a lead for sustainability as well – we’re totally committed to making progress. We want to create sustainable value for our shareholders and, in order to do that, we have to be friendly with the world as well as obviously being friendly with our customers and partners. So it’s absolutely critical to us.”

The United Nations Global Compact is the world’s largest corporate responsibility initiative,

comprising more than 9,500 business and non-business participants in 160 countries. The Compact, which was launched in 2000, guides the global business community in fostering United Nations goals and values through responsible corporate practices, linking committed companies with relevant experts and stakeholders. In addition to the environment and sustainability, the Compact also promises to prioritize human rights, labor and anti-corruption.

San Diego has been the location of Cubic’s headquarters for six decades now – a vital part of its heritage that the team were reluctant to abandon. But as it became apparent that the two existing campuses in the Kearny Mesa area needed to be updated, it appeared as though a move (perhaps even interstate) was inevitable. However, by bringing on board the San Diego Regional Economic Development Corporation, the companies were able to secure impressive incentives that meant the company could remain in San Diego, albeit with a new and improved headquarters.

Understanding that consolidating the two campuses would promote employee growth and increase operational efficiencies, Cubic partnered with Cisterra Development to create the new, modern, centralized headquarters in San Diego. »

“Cubic Corporation gets it, and understands the necessity to invest in a new state-of-the-art headquarters facility that will accommodate the company’s future goals. The entire Cubic team is deeply engaged and committed to this collaborative process.” – Steven Black, Chair, Cisterra Development

Dedicated to making the space as sustainable as possible, Cubic also came to an agreement with EDF Renewables to design, build and operate an integrated energy system of solar, storage and electric vehicle charging stations for employees in a bid to further its environmental and social governance journey.

In April this year, Cubic was also publicly recognized for yet another facet of its commitment to inclusivity and diversity – by being acknowledged by 2020 Women on Boards as a Winning ‘W’ Company. The global education and public advocacy campaign has pushed for corporations to meet or exceed 20 per cent of female directors on their boards by 2020 in a bid to work at correcting gender imbalance. At present, women comprise 44 per cent of Cubic’s board of directors.

“It’s something that we all need to be continually working on,” Brad says. “Having women in the top spots is a no-brainer and, in particular, we are fortunate here to have four female directors who bring substantial expertise and unique perspectives. Innovation is the lifeblood of our company, and diverse people have diverse ideas, and diverse

ideas cause greater and better innovation – it’s that straightforward.”

SIDE BY SIDE

A fundamental pillar of the company’s strength is the crucial partnerships that assist Cubic in its quest to continually offer customers the most impressive products and experiences.

“We have hundreds of suppliers that help us deliver extraordinary things to our customers,” Brad explains. “But we always ensure that the culture and values at the core of our business are also present in all dealings with our partners. We’re not trying to cut a deal that doesn’t work for the actual people involved.

“We are interested in economics, but we’re more interested in partnering over the long haul, building lasting relationships founded on trust, and I think that comes through.”

An ongoing partnership with Microsoft has seen innovation take a front seat, utilizing cutting-edge technology – such as Microsoft’s cloud platform, Azure – to develop initiatives unlike anything else on offer. The combined engineering teams work



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partnerships with leaders in the digital sector, Verizon, Applied Minds, Cisco and Epic Games, in particular, have resulted in countless, hugely successful projects. In addition, its work with Tasktop has assisted in enhanced visibility across the engineering and operations sectors, exposing bottlenecks and improving overall business agility.

“We’ve acquired and added to, via innovation, some exquisite capabilities that allow us to put computing in a tactical sense on the edge with artificial intelligence,” Brad explains. “Through these key partnerships, we’ve invented something called Live, Virtual, Constructive and Gaming training

domain so that we can create hyper-realistic environments for our military training customers. These technologies are invaluable for so many elements of the business, from instrumentation, communications and computing to back end with analytics and data visualization in our business.”

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tirelessly to optimize solutions that maximize the benefits of both companies to ensure that customers are presented with the most effective and efficient mobility solutions possible.

One such example, Cubic Interactive, represents an innovative solution for advertising with transit agencies. The service has been integrated in the public transit app for Miami-Dade County in Florida, connecting brands with a captive audience, while making use of agencies’ access to demographic information to provide a new source of revenue. Another example, Cubic Data Management & Analytics Platform, uses real-time analysis and insights to empower transit agencies and allow proactive handling of any network issues.

Cubic has an innate ability to accelerate innovation, which is undeniably impressive given the volume of systems in play and the complexity that brings. With the software-related components (from IoT to SaaS, cloud-native and the large code base) dominating one arena, and the hardware constituent occupying the other, it’s no easy feat for Cubic to ensure that all of these disparate elements move forward simultaneously.

Always striving to be at the vanguard of innovative technologies, Cubic’s mutually beneficial

THE ROAD TO SUCCESS

While there’s no denying Brad’s considerable role in getting Cubic to the level it is at today, he remains incredibly humble when discussing his function as CEO. “My job is to serve our employees, to eliminate bottlenecks and figure out solutions to any problems we may face,” he says. “We have a vision and strategic objectives and all of that, but my job is to make it easier for all the employees to succeed.”

When in 2018, *Forbes* named Cubic Corporation America’s Best Midsize Employers, while the team was thrilled with the accolade, no-one within the company, not least Brad, was at all surprised.

“In everything that we do, the priority is treating people fairly with dignity and respect,” Brad explains. “Our engagement samples show that our employees have much higher numbers than the norm. They love their work; it’s interesting and they actually want to turn up every day. We have incredibly good ethical conduct, and we always want to do the right thing by our employees as well as our customers. The way we show service for customers, the care and, in particular, the offerings that we’ve provided during COVID-19 proved that we really will step up to the challenge, each and every time.” ■