



FEBRUARY 2006 / **Manufacturing**

BUSINESS **BEAT**

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Volume 37, Issue 2

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MANUFACTURING FIRMS LEVERAGE TECHNOLOGY TO THRIVE AND SURVIVE

by Sharyn Alden

Troy Berg, president of Dane Manufacturing Company, says technology is the cornerstone on which he retooled and refitted his company for the 21st century. "That's how we've been able to compete and grow," he says. The investment in various technological components has paid off. The company has more than doubled its sales and number of employees in the last two years. "Without the help of technology, along with our customers' confidence in us, we couldn't have managed this much growth."

Robin Starkenburg, global communications manager with ABS Global, Inc., says, "Technology and science have allowed us to increase production capabilities and improve employee and animal working environments."

Technology advancements have benefited Placon Corporation in many ways as well. Jeff Armstrong, vice president of operations at Placon, notes, "As a manufacturer that utilizes plastics as our primary raw material, we've benefited from various advances in technology. For example, advancements in machine technology in the areas of better control systems, statistical process control and precision repeatability have allowed us to dramatically increase the

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Production underway at Dane Manufacturing

NETWORKING AND FUN TAKE CENTER STAGE AT THE 2006 MARDI GRAS BUSINESS EXPO

Celebrate Mardi Gras Madison-style February 16, as one of the largest networking events of the year takes place at the Madison Marriott West. The GMCC Mardi Gras Business Expo consistently attracts over 1,200 attendees a year and allows 146 GMCC members to showcase their goods and services to the greater Madison business community. If you haven't been to this explosion of green, gold and purple, make sure to mark your calendars, because it's not to be missed!

We have a wide range of business sectors represented in the 2006 expo—from hospitality to finance to IT to retail—there's something to interest everyone. And, of course, our exhibitors go all out with the Mardi Gras theme, making it an afternoon to remember.

Educational seminar

Unlock the power of networking! This year we're pleased to have Matt Anderson of the Referral Authority speak about networking and important dos and don'ts when you're seeking to expand your business through networking. This Expo seminar will

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quality and performance of our products.”

Advancements in Programmable Logic Controller (PLC) design and Alternating Current (AC) drives and servo- motor-controlled movements have also aided Placon's growth. “These advancements have allowed us to dramatically improve overall machine performance, resulting in less down-time and more productive up-time,” says Armstrong. “At the end of the day, this means cheaper manufacturing costs, which allows us to avoid large capital expenditures for increased capacity.”



A local production department at Placon

Placon has also installed a state-of-the-art sheet extrusion line, which has helped increase the use of recycled materials beyond the current supply. “This opens new doors for raw material supply for our company, and it reduces

the amount of non-biodegradable material going into the local landfills,” explains Armstrong.

Technological trends and applications

Manufacturing for the building industry has benefited from technology, too. Sean M. Cleary, president of Cleary Building Corp., which has 71 branches, explains. “Technology has allowed us to establish a detailed electronic infrastructure to expand and support our multiple plant manufacturing locations and our current number of branches.”

Cleary adds, “Without the advancement of technological applications over the past 20 years, our company wouldn't have been able to grow nearly as fast as we have.”

Cleary Building Corp. has increased its operational efficiency through customized Enterprise Resource Planning (ERP) software and customized Materials Requirements Planning (MRP) software. “This allows us to keep track of our orders from start to finish,” Cleary notes, “and it offers better value in our finished products for our clients.”

These and other Web-based business applications have helped keep the company competitive. “The fluctuation and substantial cost increases incurred in the raw materials, energy and insurance markets would affect the prices of our products much more severely if our productivity wasn't increasing at an above-average rate,” says Cleary. He points out that increased productivity is due not only to improved technology, but also to working with good people.

Dane Manufacturing has tapped into the Microsoft computer environment to maximize growth. Berg says, “When we bought Dane three years ago, there were 16 employees, three computers connected by a coaxial cable, and four phones. Today, we have 35 employees, 20 computers, three servers, five computers controlling machines in the plant, and 15 phones.” He notes that while some of the technology has been around for a while, they're also deploying state of the art components.

Streamlined efficiency

At ABS, Starkenburg says technology has helped the company stay efficient and competitive in numerous ways. “Since safety is No. 1 at ABS, we've installed a state-of-the-art distribution facility with an automated oxygen monitoring system to assure the safety of ABS employees.”

The benefit, Starkenburg notes, is that the new CASA system allows the company to use people's time more efficiently. “The CASA system also makes our product more reliable in the statistical sense. The distribution facility allows us to lower shipping costs and distribute products anywhere in the world, expanding our market arena.”

At Dane Manufacturing, some of the plant's technology uses automated machines and



ABS Global's distribution area

computer controls that allow the machines to run unattended. “By running the machines around-the-clock or ‘lights out,’ even when people aren't in the plant, we've lowered our overall cost by eliminating direct labor,” Berg says.

Some of Dane's competitors claim automation investment is hard to justify. “But I argue that it continues to get harder to find workers who want to work in the plant on second or third shift,” says Berg. “And it's hard to compete if the machinery is only running eight hours a day.”

Manufacturing's future

Some business leaders, like Sean Cleary, say that in order for manufacturing firms to survive and thrive, Madison has to have a pro-business attitude. “Without that, manufacturing businesses will either locate on the periphery, which is currently occurring in other Dane County communities, or they'll locate, expand, or relocate in other areas of the United States,” he says. Cleary adds that Madison has time to react to this situation.

At ABS, geographical position plays an important part in the company's growth. Starkenburg explains, “Our location near the airport, freeway and UW-Madison Veterinary School make our position in Dane County an ideal place to facilitate and grow our business.”

While high technology in the area has generally seen significant growth, Armstrong says in the area of more general manufacturing, which requires a large amount of skilled labor, the growth may be a little slower. “One of the biggest factors in this is the quickly diminishing pool of skilled labor. It's becoming more difficult to hire experienced machine operators, maintenance technicians and tool makers,” he says. “And the investment to train these types of positions ‘on the job’ can be as long as four to six years.”

Berg notes that there are some strong manufacturing companies in Dane County that have good leadership and continue to grow. “Dane Manufacturing does business with several of the largest companies, which continue to increase business with us each year,” he says.

“One of the things you can count on in this fast-moving global economy is tough competition,” says Berg. “Without leveraging technology, you don't stand a chance of competing with those that do.” ♦

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available online at www.madisonmagazine.com

Upcoming Events:

March 2
 Real Heroes Awards Dinner. *Benefits American Red Cross Badger Chapter.* An annual event to honor and recognize everyday heroes in the Madison Community. 608.227.1266

March 31
 Red Ribbon Affair Black Tie Dinner. *Benefits AIDS Network.* Fine Food, Drinks and Silent Auction. 608.252.6540