



Manufacturing Roundup

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Diversified customer base pays off for Res Manufacturing

BY JEFF ENGEL

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When Res Manufacturing Co. beat out foreign competition for a contract with Tesla Motors Inc. in 2011, it wasn't just a big win for the Milwaukee company. It was also symbolic of what company leaders say is a growing trend in American manufacturing.

Res was awarded a five-year contract from Palo Alto, Calif.-based Tesla to provide multiple stamped parts and assemblies for Tesla's Model S sedan, an electric vehicle with a range of about 300 miles on a single charge.

Tesla selected Res over other foreign and U.S. competitors, including a Chinese company supplying similar components at the time.

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Lesla Nichols

Greater Boston
Manufacturing
Partnership

The Tesla contract is one of the reasons Res is growing and boosting its staff by nearly 20 percent through mid-2013, to about 125 permanent employees, company leaders said.

"I think we're on the threshold of a manufacturing renaissance here in the U.S. if we continue to do the right things," said John Wittmann, vice president of sales and marketing. "There's a lot of small companies out there that have had to become lean. It's allowing us to go toe-to-toe with foreign competitors and bring jobs back to the U.S."

Res, 7801 N. 73rd St., is a supplier of stamped components, value-added assemblies and services for the automotive, agriculture, construction, light-emitting diode, cookware and other industries.

Its parent company is the family-owned DLSM Inc., Milwaukee, which also owns Kon-dex Corp., Lomira.

Res posted 31 percent revenue growth in 2012. Wittmann said, as it continued to evolve post-recession. Its accolades this year include two quality awards from partner Hi-Lex America Inc., Battle Creek, Mich., and one



SCOTT PAULUS

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from Tesla.

Five years ago, the automotive sector filled 90 percent of Res' business. Next year that number will have shrunk to 65 percent as the company diversifies, with an ultimate goal of 50 percent, Wittmann said.

The company has partly shifted its focus to clean technology, such as electric vehicles and commercial LED lighting, Wittmann said.

"We wanted to focus some of our business on areas we thought would be good growth products as well as serving society," Wittmann said.

When asked if company leaders are concerned about the strength of some of those new sectors, such as an electric vehicle market that has yet to really take off, Wittmann said they have realistic expectations about those niches.

"We try to pursue market leaders that have a very good business model," Wittmann said.

Res leaders also have sought to improve the company's processes, specifically in the past year, by beginning to implement the Toyota Production System. The initiative is aimed at improving processes on the shop floor and the back office, as well as creating a companywide mindset of problem solving, said Steve Pankowski, manufacturing manager.

CONFIDENT APPROACH

Lesla Nichols, a former Toyota Motor Corp. employee who now works with the Greater Boston Manufacturing Partnership, has been advising Res as it applies the Toyota Production System. She has been impressed with how each member of the staff takes a confident approach to tackling issues.

"They're very good at being able to respond to (problems), not just put a Band-Aid on it," Nichols said. "I think part of the reason they're able to (grow) is that they've got this extra ca-

pability of high-level problem solving. As far as I can tell, they've always had a can-do kind of spirit and obviously that's going to be attractive to customers."

Like many manufacturers, Res' biggest challenge right now is finding workers with the right skills to hire for open positions, Pankowski said.

But Pankowski said "soft" skills — like teamwork, attitude and work ethic — weigh heavier than manufacturing experience in hiring decisions for production positions at Res. He doesn't hire for a specific job duty, partly because each new business contract often means a new set of processes and equipment changes.

"I can train on all the hard skills out there," Pankowski said. "(Workers with the right soft skills) are hard to find. But if I can get people like that, I'll have a much stronger team in the long run. I truly believe we have a higher skilled and more flexible work force than most companies out there."

Area Chamber of Commerce Event Listing

Pewaukee Chamber of Commerce

Building A Winning Web Strategy

Wednesday, 1/9/2013 11:00 - 12:00

Networking, 12:00 - 1:00

Luncheon and Speaker

Location: Western Lakes Golf Club,

W287 N1963 Oakton Road

Presented by Shane Fell, VP, Business

Development, Top Floor Technologies

"Get Leads" through

The Business Journal

Tuesday, 1/15/2013 8:00 - 9:00 a.m.

Location: Pewaukee Chamber

Conference Room,

1285 Sunnyridge Rd

Biz After 5

Thursday, 1/24/2013 5:00 - 7:00 p.m.

Location: Lakefront Grille (formerly Piano Blu)

179 W. Wisconsin Ave

\$10 at door

Contact: Kathy Eckhardt Register online

www.pewaukeechamber.org If not registered

MMAC

FUEL Milwaukee Social

Thursday, 1/10/2013 6 - 9 pm

Location: Dehne's Upper 90

Sports Pub 322 W. State St.

Contact: Jessica Quintanilla

414-287-4158

No Fee

Milwaukee World Trade Association Social

Tuesday, 1/22/2013 5 - 7 pm

Location: Anaba Tea Room 2107

East Capitol Drive, Shorewood

Contact: Katie Henry 414-287-4123

Legislative Briefing

Thursday, 1/31/2013 7:30 am - 9 am

Location: MMAC 756 N Milwaukee St

Lunch with the MMAC President

Friday, 2/1/2013 12 - 1 pm

Location: MMAC 756 N. Milwaukee St.

Expert Series

Thursday, 2/7/2013 7:30 am - 9 am

Location: MMAC 756 N. Milwaukee St.

COSBE Roundtable Forum

Tuesday, 2/19/2013 4:30 - 6 pm

Location: University Club 924 East Wells Street

Member Orientation

Wednesday, 2/20/2013 7:30 am - 9 am

Location: MMAC 756 N. Milwaukee St.

The Business Council Strategic Partnership Luncheon

Thursday, 2/28/2013 11:30 am - 1 pm

Location: ICC 631 East Chicago Street

Contact: Karen Powell 414-287-4166

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