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The Zinc Plating Experts

PROFESSIONAL PLATING INC.



Repeatable, Consistent Finishing—Every Time

Larry Dietz, general manager

BY REGINALD TUCKER

Professional Plating could dazzle you dizzy with its deep range of finishing services—rack zinc plating, barrel zinc plating, acrylic e-coating, epoxy e-coating, custom powder coating, and specialty ceramic coatings, to name a few. But it's not just about diversity for diversity's sake. The real hook, company principals note, is doing all of these things on a level of quality that's repeatable and consistent—every time.

"It's all about taking our customer to an impossible place," said Larry Dietz, general manager of the Brillion, Wis.-based finisher. But that doesn't mean impossible to meet their needs, he explains. What he means is, "making it harder for the competition to get after us."

That's an especially critical approach in today's highly competitive environment—a state Dietz half-jokingly refers to as "commodity hell." With so many of the market-savvy platers responding to today's challenges via greater diversification, specialization, or by generally ramping up service levels, the need to further differentiate one's offerings has never been more dire.

"Everyone here knows what we mean when we say you have to differentiate and 'un-imitate,'" Dietz said. "Though we all know you need to do a fair amount of that commodity stuff, we know it's equally important to do it differently. For example, this could be a specific emphasis on controls, or tight parameters that you establish in your processes. It could even be the way you package or label the finished product. As a result, even that commodity [customer] feels better because of the level of personalization and customization you're offering."

A case in point relative to specific finishing operations is Professional Plating's custom powder coating capabilities. According to Dietz, the

company can provide literally hundreds of colors for motorcycle, ATV, snowmobile, or general automotive restoration projects. Then there's the firm's proprietary e-coating process (ProAdvantage), whereby parts are submersed in its e-coat process as a

primer, then followed up with a powder-coated color of the client's choice. Combined, these steps significantly increase part longevity while providing superior rust and corrosion prevention, the company said.

Proprietary processes are also employed in Professional Plating's zinc rack and barrels lines. ProDura, the company's signature finish, provides extended corrosion protection while exceeding most salt spray specifications for black chromate and RoHS-compliant clear. Likewise, its state-of-the-art powder-coating system entails a 10-stage process, including a pretreatment application of iron phosphate and non-chrome sealant to maximize corrosion protection for demanding end-use applications.

Professional Plating's value-added services don't end there. In fact, they even extend beyond coating and plating. This finisher also provides more-than-ample logistics services via a fleet of four company-owned trucks. These "rolling billboards," as Dietz calls them, fan out across its sprawling service area, ready to pick up parts from the client's location and drop them off when completed. And did we mention fast? "When we pick up the customer's parts, they're here today; they don't sit at a



Figure 1: Professional Plating is a Tier 1 supplier to Harley Davidson and the Buell Motorcycle Company, meaning it is certified to finish parts for both Harley's and Buell Motorcycle Co.'s divisions.

terminal overnight," Dietz explained. And in appreciation for the customer's need for a fast turnaround, the company strives to enter into the process everything it brings in one day and starts the finishing process that same day.

Flexibility is another ace in its deck. Professional Plating is just as open to jobs involving larger pieces as it is with mom-and-pop projects. "We're not captive by any means," Dietz said. Nor is it overly concerned with those "go-away" customers who have outsourced their finishing work to offshore operators. With lean manufacturing and the transformation of business, he believes that infrastructure will be much harder to maintain over the long haul. Additionally, he said firms like his can handle the smaller runs more profitably than offshore firms.

"We try to make it hard for customers to walk away from us," Dietz professes. It's a mentality that—to him—is not much different than the layman's customer-service experience. "Think of the best place that you've

AT A GLANCE

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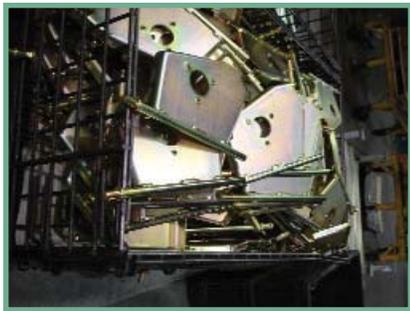


Figure 2: 'Repeatable, consistent' quality as shown here in these zinc-plated parts.

been on vacation, or the best dinner you've ever had. Now think of the reasons why you keep going back there."

For many of Professional Plating's devoted clients, it's a very compelling analogy. "They do many quick turn-arounds for us, and they're extremely professional—as the name implies," said Tina Nair, purchasing manager of Mosinee, Wis.-based G3 Industries, a customer specializing in wire forming for the lawn and garden industry. "We've never had a problem with them, and their work is outstanding. They are our primary plater and painter."

That consistent customer-service experience is shared by Scott Spude, supply chain manager for N.E.W. Industries, a Sturgeon Bay, Wis.-based commercial machinery, manufacturing, and repair operation. N.E.W., a Professional Plating customer for about 12 years, primarily relies on the finisher for zinc-plated products. "They turn the product around in less than five days, which is somewhat unusual in this industry, especially with the amount of volume that we do with them," Spude said. "They're an outstanding company and very responsive and proactive. Plus, the environmental aspects of their operation are very

good—above standards, actually—better than I've seen at any other plating company. And they have trucks here four times a week, so their service is excellent."

MISSION: CONTINUOUS IMPROVEMENT

It's testimonials like these that do more than provide Professional Plating with the affirmation that they're meeting customer demands on an ongoing basis. The responses also provide further encouragement to raise the service bar even higher and, in the process, widen the gap between competitors who might not be able to keep up.

"The main thing we continually strive for is continuous improvement," Dietz said. And it's not just lip service. It's a thought process that says expect change and expect to do different things. It's the thinking that says, 'You're only as good as you think you're going to be.'

"You don't want to cliché it to death, but you have to have a grander vision," Dietz stressed. Surely the company's founders (Bob and Pat Endries) had such a vision in mind in 1979 when—as primarily a zinc plater—it sought to provide a dependable finishing source for the fasteners supplied to its customers (see sidebar on "Timeline of Progress"). Fast-forward to present day: Professional Plating now offers customers six core competencies; operates under 85,000 square feet of space (compared to 10,000 square feet 28 years ago); and grew sales from \$6 million in 2001 to \$10 million today—an astounding increase of 66%! All this while investing \$4 million back in the business over the last three to four years.

"I look at Professional Plating today, and I see us as a new company," Dietz explained. "The owners of the company have empowered us all to make decisions that positively

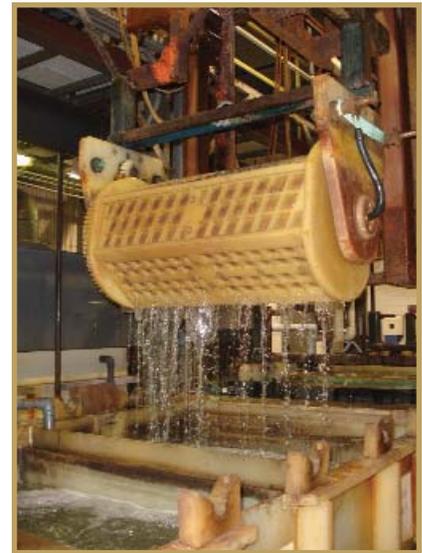


Figure 3: This 13-barrel, 22-station plating line allows Professional Plating the ability to process thousands of pounds of material daily.

MAIN SUPPLIER PARTNERS

- Chemetall-Oakite (cleaning & pretreatment)
- Columbia Chemical (zinc)
- Heatbath (zinc)
- PPG (E-coat paint)
- Rohm & Haas (powder coating)
- TCI (powder coating)

impact the business. Empowerment and self direction—the whole aspect of where we start our team. When we talk to our people about 'enterprise excellence,' they can really understand and identify because they take ownership of the process."

Dietz, who joined Professional Plating six years ago, brings his own brand of positive motivation to an already dedicated and inspired work force of 145 people. At the same time, he's hesitant to claim too much credit for the company's recent fortunes. But he does assume responsibility for engendering a greater sense of urgency among team members and management—a sense that "everyone" involved plays a role in the outcome.

A classic example was his prodding to get Professional Plating ISO and QS certified—a move that he knew would open the doors to a new universe of automotive and industry-related work. He cited his experience with a previous firm, which put off the registration process. "When I came into a strictly job-shop type business, I saw that we needed the

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Figure 4: Professional Plating's powder coating line features a 10-stage pretreatment process with iron phosphate and non-chrome sealant.

necessary controls to become repeatable and consistent," Dietz recalled. "The company had postponed it three times over the period of a few years, and I started asking questions as to why. I said we either had to get committed to it or get off that wagon and stay small."

THE PEOPLE FACTOR

Ultimately, Professional Plating's continued success hinges on its people. Dietz cites a company environment in which employees are encouraged to take greater ownership in the day-to-day business matters and speak freely regarding improvements to systems and processes. In fact, Dietz reports, roughly 90% of staff recommendations made during safety and production meetings are instituted within two weeks of the meeting date.

"Here, it's all about carrying the baton and then passing it on," Dietz said. "We're dealing with a lot of dedicated, hard-working core team members—14 management, 131 core. We rely heavily on self-direction. If they all walked out of here tomorrow, we'd be done."

That's why measures are taken to ensure as many of those workers stay on board and remain productive. This entails, among other things:

offering a good performance review system that rates the team members' progress and addresses strengths and weaknesses while encouraging critical feedback about the company; allowing team members opportunities to not only grow their wages but also responsibilities; provide tangible incentives that promote quality, safety, delivery and profitability; openly sharing company financial information with employees; providing an extensive training and on-boarding program for new workers; and providing for enhanced wages through a "Success Bonus Sharing" program.

"There's a lot of built-up trust," Dietz explains. "Everybody at Professional Plating owns a part of the process. We don't all have to be rocket scientists, but we all have to be accountable. And with accountability there's no off ramp; you just can't pull over."

Accountability at Professional Plating is much



Figure 5: For demanding automotive and heavy-duty commercial applications, Professional Plating provides both acrylic e-coating and epoxy e-coating services.

more than an abstract notion. As an example of this philosophy in practice, Dietz cited ways in which both management and team members worked together to improve performance standards. One case involved a key customer-service measurement: on-time delivery. "About four years ago we had an on-time delivery rating of 85%; today we're at about 99%," he recalled. "That's even more meaningful because we're doing a hell of a lot more orders today than before."

Professional Plating's improved safety record is another success story, Dietz reports. He notes that since 2001 the company's incidence index (number of hours worked divided by

FINISHING SPECIALTIES & CERTIFICATIONS

- Barrel Plating
- Rack Plating
- E-Coating
- Powder Coating
- Ceramic Coating & Internal Engine Coatings
- Parts Cleaning
- Masking & Blasting
- Packaging, Assembly, Inventory Management
- Testing: Salt Spray; Thickness; Adhesion
- Logistics Services/Trucking Fleet
- ISO 9001: 2000
- ISO 9002: 1994
- QS-9000: 1998

number of incidents) dropped by 90%. “This is significant because the plating industry is notorious for having one of the highest workers compensation rates around!”

OUTLOOK

Dietz and Professional Plating’s owners are counting on its good fortunes to continue for the foreseeable future. But in its true-to-character fashion, the company is not sitting idly by, waiting for things to happen. It’s forcing the issue.

To keep pace with increasing customer demands, Professional Plating is in the midst of a 42,000-square-foot expansion, scheduled to be closed in by the early part of 2008. The expansion will primarily entail additional manufacturing lines as well as warehouse space. “With the 66% increase we’ve had—in the square footage that we’re in—it had us busting at the seams,” Dietz said. He estimates that, when complete, the expansion will help take the company another 10 years down the line.

On top of the additional elbow room, Professional Plating is seeking to expand its four-truck fleet to six units. According to Dietz, this will open up opportunities to service western Wisconsin, Minnesota and even farther south down into Illinois. Furthermore, the company hopes to expand its workforce by 20-25 people over the course of the next five years.

Dietz is also encouraged by what he’s seeing on the local economic front. Despite a nearby plater that shut its doors, combined with one big customer installing its own finishing lines, he cites a big positive: the city of Brillion has proven to be generally very supportive of manufacturing. He also proudly notes that Professional Plating’s presence, specifically, has convinced other nearby manufacturing operations to remain local and functional.

To ensure continued prosperity moving forward, Professional Plating will be keenly focused on working smarter even as the company gets larger. To Dietz that means

building and improving on all the things that have catapulted the company to the point where it is today. “Looking at the 66% growth we experienced over the last five years, there’s no reason—with this expansion—that we can’t do that same thing over the next five years.”

TIMELINE OF PROGRESS

- 1979:** Professional Plating, Inc. was established in 1979 by Bob and Pat Endries, founders of Endries International. That same year, the zinc plating operation began with the barrel line being the company’s sole production area.
- 1983:** In June the company expanded its zinc plating capabilities with the purchase of a Cyclemaster rack line. In addition, with increased production and regulatory changes made by the Department of Natural Resources and the Environmental Protection Agency, the company’s wastewater system was enhanced via a sludge dryer and filter press. This made it possible to compress waste materials to a dry form and transport out of state for disposal.
- 1988:** Encouraged by end-user demands, an acrylic E-coat line was added, which resulted in a 12,000-square-foot addition. Furthermore, the company’s lab was upgraded to include precision testing equipment.
- 1991:** In the fall Professional Plating, Inc. added an epoxy e-coat line.
- 1993:** A second rack zinc production line was installed. More office space, increased customer storage and a separate maintenance area were all completed as well.
- 1994:** An aqueous parts washer was added.
- 1998:** Professional Plating added a 10-stage-pre-treatment, state-of-the-art powder coat system. A larger lab area, the addition of three shipping docks, and additional storage provisions for finished products were completed.
- 2002:** Professional Plating reached its current manufacturing size of 85,000 square feet when its wastewater system was again upgraded via a state-of-the-art, 5,000-square-foot wastewater system. The new system places Professional Plating ahead of EPA and DNR regulations along with reducing hazardous waste disposal costs.

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