

Survival of the innovative

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By Rod Kackley | MiBiz
rkackley@mibiz.com

GRAND RAPIDS — At a time when many manufacturers were whistling through a graveyard, checking the straps on their golden parachutes while charting their futures, The Decc Company Inc. was laying the groundwork, five years ago, for a \$1.8 million investment in facilities, technology and engineers.

Fred Mellema, who would become CEO and owner of the Grand Rapids-based coatings applicator, was also charting plans to expand Decc's client list outside of the domestic automotive industry.

He wanted to create a team based on technology and Statistic Process Control (SPC).

"That is what we were not. We were good enough at coating. We knew what they did and how to apply them, but the consistency just was not there," he told *MiBiz*. "We used the full range of thickness that a customer gave us. Sometimes we would be at the low end, sometimes we would be at the top end. We had to get back to the mean."

Changing a business' culture is never easy, especially when new managers are brought into the mix. Mellema said the transition was not as hard as it might have been because he looked for, and found, team players to join the management team, knowing that technology by itself wouldn't help.

"Degreed engineers working with people who don't have degrees can be really ugly if you don't have the right people in the right seats on your bus," said Mellema.

But he also knew that if the new technology could be implemented by the right team, the result could be golden.

"Engineers with coating all over them, who wreck their clothes every day — that's it. That is the kind of player we definitely wanted," he said.

Thinking is one thing. Doing is another. Beyond the human factor, actually implementing the new strategy was not easy. The first thing that happened was in-house rejection rates went up, which meant more expense not only on the labor side but on the scrap side too. It took a full year to implement the engineering side so that the control sheet could be run with consistent output.

Taxing though it might have been, Mellema firmly believes that only the innovative will survive on the domestic manufacturing scene.

"If you are still making widgets the same way, you are in trouble. You have to go back and ask, 'What value am I adding? Do I have something that sets me apart from the rest of the world?'"

Innovation can't wait. No one should sit still waiting for the light bulb to click on. Mellema said that process is being pushed forward at Decc, as the company defines tactics for the future.

One of those tactics is expanding Decc's client base outside of the domestic industry comfort zone. That is also innovative. Face it, General Motors, Ford and Chrysler had been Decc's "bread and butter" for nearly four decades, according to Mellema.

"To go outside of that was very scary."

But he knows that the company's survival depends on that. The decision has been made to pursue and penetrate the New Domestic automotive market.

"The biggest outsourcers are the Big Three," he said. "However, 70 percent of the Japanese car

made in this country is made in this country."

Breaking into a new market is never easy. No company wants to be the first on your client list. They are all looking for a track record. Therein lays the Catch-22. Mellema said the best solution was finding outside third-party accreditation in the new field.

The 3.0 version of Decc is yet to be determined, but Mellema believes that innovation will continue to be a foundation of the company, along with a new factor that many manufacturers are writing into their short- and long-term plans - partnerships.

"That could be in the United States, with us applying coatings at someone else's facility, or we could go international, building with someone who is already in China or India," said Mellema.

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