

Remke Industries bucking trend among manufacturers

By Alexa Stranard

Medill News Service

In the midst of the troubled manufacturing industry, a bright spot is Remke Industries Inc. in Wheeling. It's celebrating 40 years in business and its sales are growing.

To be sure, Remke, which makes molded connectors and wire management products (translation: their products get power to equipment), has taken its share of hits in the past few years.

The company's fortunes follow those of the industries it supplies, and those industries are struggling. After a boom at the end of the '90s, Remke, like so many other manufacturers, watched sales drop.

But the company's fortunes are turning around. Orders are up and its sales target for 2003 is \$6.5 million. It has rehired some of the workers it laid off and now has 50 employees.

The turnaround is not happenstance. Two years ago the company saw the writing on the wall and began to look for ways to weather tough times.

"We decided to take control of our own destiny," says Mark Sweeney, vice president of sales and marketing.

The company focused on adapting to customers' requests and improving its response time. It won ISO 9001 quality compliance in 1998 and it prides itself on its willingness to meet customers' needs.

As Tom O'Gara, the 56-year-old president of Remke, puts it: "If you're selling a widget, how do you make it a little bit different? You do it through the specialty business and through response."

Ken Murphy, president of Electivert Inc. in Detroit, a customer for 10 years, says his company purchases about \$350,000 a year in cord grips and tool cords from Remke.

Remke is quick to react in emergencies, rushing products to him when he needs them and Remke helped custom design swivel grips he needed.

"Their flexibility has been terrific," he said.

Preserving flexibility and quick response made the company decide to keep its 37 manufacturing jobs here rather than shipping them overseas. Rubber molding production, for example, is labor-intensive and therefore costly. The ability to deliver a product quickly and with custom features makes the extra cost of local labor worth it.

Business profile

Name: Remke Industries Inc.

Founded: 1963

Business: Molded connectors and wire management products

Location: Wheeling

Revenue: \$5.7 million



Maria Valvadinou performs assembly work at Remke Industries Inc. in Wheeling under the watchful eye of President Tom O'Gara. Mark Black/Daily Herald

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O'Gara, a Wilmette native, has been at the company's helm since 1983, when John Remke, the company's founder, stepped down. O'Gara is no stranger to tough economic times. With Remke since 1979, he was around in 1981 when the company cut down to only eight employees as it weathered the downturn of that era.

Remke started in Chicago in 1963. It moved to Wheeling in 1987. O'Gara says most employees have been with the company for more than five years, and many moved with the company when it relocated, buying homes in the area.

Many of the company's machine shop workers hail originally from Mexico and Central America, and about half are women.

Sweeney says the company pays attention to national salary surveys and tries to stay competitive. He says the stability of Remke's work force cuts back on training costs and improves workers' morale.

Despite his faith in his company, O'Gara is aware that the economy isn't headed for another boom any time soon.

"Everybody's sitting on their hands waiting for someone else to make the first move."

Measures the company has taken to stay afloat in a dismal economy seem to be paying off.

Remke's catalog provides a snapshot of growth. In 1987, it was printed on plain white paper, had 16 pages and featured 1,000 products. The 2003 catalog is printed in color on high-gloss paper, has 160 pages and offers 3,000 products. Cord connectors sell for \$1.80 each, while molded power connectors go for up to \$180.

Remke sells its products to small and big companies. It has more than 100 customers that have been with the company since it started 40 years ago.

Standard Electrical Supply in Milwaukee has been a customer since 1982. Vice president Mike Harvey says his company contacted Remke after a customer spoke of the high quality of its product.

"Integrity is what's important to us. Whatever they say, they do," said Harvey, whose firm does about \$250,000 of business a year with the company.

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