

MID-IOWA BUSINESS

The attributes of successful Iowa businesses

As Mark Twain quipped 110 years ago, U.S. manufacturing companies today can proudly declare, “The report of my death was an exaggeration.” There’s no denying that manufacturing has changed dramatically over the past 50 years. For example, the portion of the workforce employed in manufacturing has fallen from one-third to roughly one-tenth during that time span.

Doomsdayers declared the end to be nigh as various manufacturing jobs headed for Europe in the 1950s and 1960s, then again as the Japanese manufacturing machine emerged in the 1970s and 1980s. The giant sucking sound from Mexico was a major concern for the 1990s. Today, China and India are primary outsourcing targets, the latter not only for manufacturing but for service industries as well.

So with all the global competition, who’s the leader in manufacturing output today? China? Japan? Here’s a hint: This country recently celebrated its 232nd birthday.

That’s right! Despite all the outsourcing, the United States still accounts for almost one-quarter of the total value of goods produced on the planet. And while it’s doubtful that we’ll soon see a labor-intensive, consumer product produced here, several



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companies, manufacturing and service, thrive today in Mid-Iowa.

It’s worthwhile to explore the attributes of successful Iowa companies today, both manufacturing and service. Understanding these factors gives everyone with a vested interest — employees, business and government leaders — the potential to positively influence these factors in an effort to give our area a leg up on the rest of the world.

For decades, we Iowans have cited our work ethic and education system to potential employers. While these factors still work in our favor, the gap is closing. Technology allows information to flow freely into the rapidly

improving education systems of developing nations. These countries have millions of decent, employable candidates, all eager to work hard in order to provide a better life for their families.

As I observe the business landscape in central Iowa today, there appear to be recurring themes among successful companies. Typically, it’s a combination of these factors.

• **Entrepreneurism** — Many great companies are located here simply because we are lucky that an entrepreneurial founder wants to call this place home. These companies use continual innovation, typically in niche industries, to stay ahead of global competitors.

• **Location** — In addition to inheriting the richest soil on earth, Mid-Iowans are fortunate to be located almost smack dab in the middle of the country at the crossroads of two interstate highways. Several local companies make the most of this asset, producing and distributing products under the same roof.

• **Productivity** — Local businesses partially offset the relatively high cost of labor, as compared to low cost countries, when that labor is highly productive. Increased productivity comes not only from capital equip-

ment, but also from creative employees that continually generate ideas for better ways of doing things.

• **Speed and flexibility** — Several second tier businesses successfully operate here because they quickly and flexibly serve large customers also in the region. As we’ve recently experienced, conditions in an ag-based economy change as quickly as the weather. Companies in this field, or any other impacted by quickly-changing markets, are willing to pay a premium for an agile supply chain.

• **Relationship** — Technology continues to expand our tolerance for what’s acceptable in a business relationship. My children do business with mouse clicks that my parents wouldn’t dream of doing. Still, most of us are not ready to abandon face-to-face time with our personal physician for an outsourced alternative. Many central Iowa service providers use their proximity to local customers to leverage relationship as a competitive advantage.

In coming months we’ll discuss things the workforce, business leaders and government leaders can do to optimize the factors above.

Rick Brimeyer is the Iowa division manager for PDG, a business consulting firm in Story City.

AREA BUSINESS NEWS

National company studies Iowa Irrigation products, techniques

By BOB ZIENTARA
Staff Writer

HUXLEY — An internationally known provider of home and commercial irrigation systems has selected Iowa Irrigation, of Cambridge, as one of three irrigation contractors across the nation to study for its products, service and efficiency.

Tucson, Ariz.-based Rainbird Inc. sent three representatives to Iowa in early July to observe Iowa Irrigation’s residential installations at Ames, according to company owner Alan Essex and his son, James, who manages day-to-day operations for the company.

Brian Mueller, marketing manager for Rainbird, accompanied two other employees on the visit.

Essex said Rainbird paid special attention to a water-saving sprinkler head used by the Iowa company.

“It’s a pressure-regulation piece of equipment that will allow only a pre-set setting of pounds per square inch to flow through it,” James Essex said.

“We’ve been installing lower-pressure sprinklers in Ames,” he said.

Rainbird observed and took photos of the Iowa Irrigation work, critiqued the installations and used the information and photos to compare to its own products and services.

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“It was an honor to be chosen out of all the possible companies they could have picked,” James Essex said.

Water conservation technology is especially popular in Western states, where Rainbird has its corporate headquarters and works for clients in Arizona and California, he said.

But the devices are catching on in the Midwest, too, including weather-based controllers that limit or expand the amount of water used based on daily weather reports. Essex said Illinois soon will require rain sensors that will monitor precipitation and turn off irrigation systems.