

Duluthian

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FA LINE 1

ALTEC INDUSTRIES: VALUE DRIVEN AND CUSTOMER FOCUSED

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DULUTH
AREA CHAMBER OF
COMMERCE

Value Driven

Altec is a leading provider of products and services to the electric utility, telecommunications, tree care and lights and signs markets, helping customers dig deeper and reach higher in more than 100 countries throughout the world.

When it comes to doing the job right, companies rely on equipment that is designed smart, built tough and engineered specifically for the type of work they're doing. It's no wonder that Altec boasts an extensive customer base of industry professionals.

The company was founded in 1929 as the Alabama Truck and Equipment Company, Altec for short. Its founder, Lee Styslinger, opened shop in an old furniture factory in Birmingham, Alabama, manufacturing flatbed trailers for Fruehauf and customized trucks for industrial use, according to a family biography.

With a focus on customer first, quality and continuous improvement, Altec has since grown into the gold standard for fleet equipment in the utility industry. The Duluth facility, located along the waterfront at the Port of Duluth, is a critical hub for two of Altec's core customer groups, lights and signs, and the utility transmission and distribution industry.

The Altec story at Duluth began in 2002 with the acquisition of NorStar Products International and its HiLine brand of aerial boom trucks. Their high-reach capability is what attracted Altec to Duluth as the company sought to expand its existing line of transmission service vehicles. The HiLine legacy lives on today with the AH (Altec HiLine) line of transmission service vehicles.

Altec's AH series insulated aerial lift trucks are built for the electric transmission industry with articulating and telescoping reach capabilities between 75 to 150 feet above the surface. The Duluth operations is Altec's primary fabrication and assembly facility for these high-reach service vehicles.

For the lights and signs market, Altec's LS series non-insulated trucks feature single or multi-stage telescopic cranes that can reach working heights from 49 feet to 87 feet. These products are equally designed to be versatile and durable to meet a wide range of customer specifications.

GROWTH OPPORTUNITIES AT DULUTH

As a growth-driven company, Altec always looks for ways to improve and serve its customers.

Altec Duluth underwent a major expansion that included the relocation of three existing businesses, facilitated by the Duluth Seaway Port Authority, that enabled Altec to fully occupy and renovate the previously shared space. Included in the upgrade was the addition of state-of-the-art plasma and laser cutting machines, press break technology, as well as the latest energy efficient LED lighting technology, ensuring a bright and safe workspace. As a result, the company, the city, Altec's base of employees, and most of all their customers, are reaping the benefits of the expansion and facility upgrade.

"I think it was fantastic," says Jake Pessenda, plant manager of manufacturing on the fabrication side. "It's had a great impact for the



and Customer Focused





“These are real opportunities for our communities that provide living wages, and combined with the benefits package we offer, really allows folks to raise a family and help support this community. It’s a very big win, it’s a great story for this community.”

- JAKE PESSEDA, PLANT MANAGER OF MANUFACTURING - ALTEC

community of Duluth when you look at the number of engineering positions, machinists, welders we’ve been able to grow. At Altec, one of our values is people are our greatest strength. These are real opportunities for our communities that provide living wages, and combined with the benefits package we offer, really allows folks to raise a family and help support this community. It’s a very big win, it’s a great story for this community.”

All the manufacturing and assembly at Duluth takes place inside the plant. The workflow within the facility is divided into these two main areas.

“On the fabrication side of the plant we get involved predominantly with the manufacture of the aerial device itself; the welding and fabricating of the components that comprise that aerial device,” explains Pessenda.

On any given day he says raw materials, such as steel and

aluminum, plus an array of components like hydraulic cylinders, actuators and valves arrive on site from suppliers across the country. “Generally, we’re going to take a raw product, like sheet steel and cut it, bend it, weld it and then typically machine it, paint it and assemble it into a product.”

Altec’s operational philosophy and practice is based on a set of strongly held core values, one of which is teamwork.

“We try to ensure that we help each other out,” says Pessenda, who oversees teams of welders, machinists and machine operators. “While they focus on their core areas, we also do a lot of cross training so we have a strong team that can help each other out when and where they’re needed.”

For managers like Pessenda, the company’s value system enables them to work cross-functionally across the Altec organization to share information.

“I think that is a unique feature that Altec brings, across the spectrum. It’s very easy to work with different folks in different

locations. If there’s a challenge or a problem, or something we want to share from an information standpoint, it’s very easy to leverage the entire company, or different members in similar roles across the company.”

ENGINEERED FROM CUSTOMER INPUT

Nearly all the products built at Duluth are designed and engineered in-house. Altec’s design teams work closely with their sales teams and customers, gathering input and refining project specifications prior to a work order hitting the manufacturing floor.

“We use a lot of the latest technology tools and processes in our design criteria,” says Joe Deters, product engineering supervisor.

Innovation has always been a hallmark of Altec. In the 1930s the company was an early adapter of non-rusting aluminum parts in their manufacturing process. One of Altec’s newer products, released to the industry in the past couple of years, is the AH100B aerial transmission product.





"It has an entirely new overhaul in a lot of structures, the mechanics, the hydraulics, and especially the control system, bringing to market the first insulated four-access electronic controller that meets the insulation requirements for the industry," says Deters.

welders, talk to machinists, make sure the designs are working out as I expected. I like getting that direct feedback from the production associates so I know firsthand what isn't working and what can be improved."

CUSTOMER FOCUSED AND DRIVEN

Developing and maintaining customer relationships has been a key to Altec's success. It takes a knowledgeable and passionate sales

usually relating to the build from a customer, we help facilitate getting those answers."

Once a sale is handed off from the outside sales team, the technical sales reps pick up the project and follow it all the way through the production cycle. For instance, when a customer orders a new sign truck, Engseth will take that basic model and add in, sort of ala carte, the specifics requested by the customer.

"We go through our systems and



"Once it actually starts in the production process, I follow it through its creation, testing and customer inspection and on through to shipping and invoicing to our end customer."

- JOEY ENGSETH, SENIOR TECHNICAL SALES REPRESENTATIVE - ALTEC

Deters joined Altec as an intern with the design team while attending UMD's Mechanical and Industrial Engineering Department. The Sauk Rapids, Minnesota, native says he likes being out on the factory floor as much as working with Altec's engineers, who occupy the old Port Authority office across the street.

"I'm fortunate, I get to work with everybody. I'm not just trapped behind a computer for eight hours a day, 365 days a year," says Deters about his supervisory role. "I'm able to walk out on the production floor, talk to the assemblers, talk to the

team to sustain this level of customer service. Duluthian Joey Engseth is a senior technical sales representative for Altec, based in Duluth.

In her role she is the liaison between Altec's outside sales force, the production facility and the customer. "We are the project manager of each individual truck. We are responsible for getting each party what they need from other parties. So, if a customer has a question about their truck, we are responsible for getting the information from the production facility, and then vice versa, if the production facility needs something,

select the accessories to go along with the chassis and create a quoted version of the truck, basically a printed version of what we plan to give the customer."

After all the approvals are done, Engseth next works with the scheduling teams to have it slated to begin in a certain line at the facility. "Once it actually starts in the production process, I follow it through its creation, testing and customer inspection and

"I'm able to walk out on the production floor, talk to the assemblers, talk to the welders, talk to machinists, make sure the designs are working out as I expected. I like getting that direct feedback from the production associates."

- JOE DETERS, PRODUCT ENGINEERING SUPERVISOR - ALTEC





“I work with technicians and engineers every day that have unbelievable skill sets. That impresses me every day, watching everyone work together with the complex builds we do; you need all those skills in order to do it successfully.”

- DAN TIMA, PLANT MANAGER OF FINAL ASSEMBLY - ALTEC

on through to shipping and invoicing to our end customer.”

Customer First is Engseth’s favorite Altec value. “It’s at the top just for what we do. We work with the external customers quite a bit, making sure that we’re meeting their expectations in terms of their specs, and what they are looking for from us, and then also our internal customers,” explains Engseth. “We work a lot with other groups within Altec, sometimes at other facilities, making sure that we are providing that excellent customer service to our engineering groups, or production facility groups, because they are truly our customer when we have information that they need.”

Engseth is also a big fan of Altec’s Teamwork value.

“We have production facilities across the country and sometimes we work with other groups that are not in our facility,” she explains. “It’s amazing how willing

someone at another facility is to help. You can call someone that you’ve never met, or maybe never even talked to, and everyone is more than willing to pick up the phone and help answer a question, or connect you with that right person. I think those are two of our values that I hold extremely high, especially with what we do in technical sales.”

THE FINAL BUILD

Altec does a really good job of building custom products, says Dan Tima, plant manager over the final assembly. “We typically run multiple assembly lines, each focused on specific models, with each build having a unique job number. After collecting all the parts from our fabrication team, along with the components supplied by the materials purchase group, the assembly process begins.”

In a high-level overview, Tima explains the final stage of the production process. “I have a cab of a truck with two long frame rails off the back; that’s how we bring it in. Next, we start adding all the components,

building a subbase with all the electrical and design features and everything that the customer requests, putting it in truck form,” he explains. “We start with the customization of all the electrical and hydraulic systems. From there, we marry the aerial device to the chassis and finish up all the functionality, electrical and accessory details.”

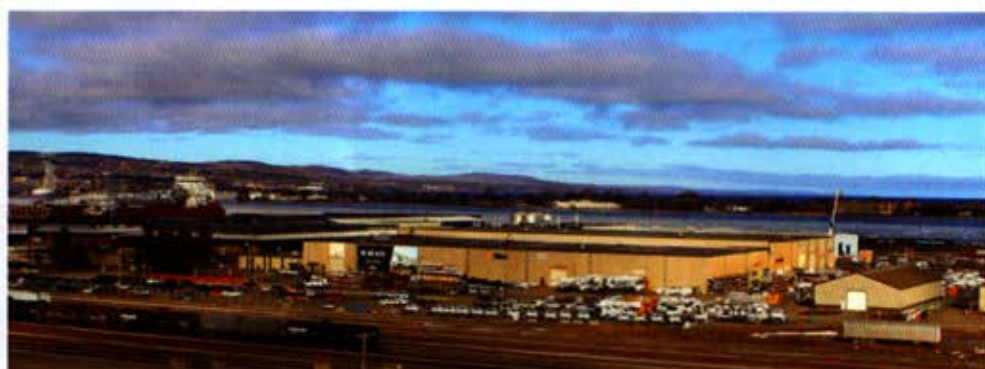
When the assembly is complete the product heads to the testing and operating yard outside of the facility.

Tima is quick to point out that Altec’s process “is not like what most people think of when it comes to manufacturing and assembly lines, where they’re punching out hundreds or thousands of widgets every day. Ours are all unique custom builds, built with a specific job number for a specific objective. I think that makes it a little more personal for everyone.”

On the assembly lines, Altec employees are skilled technicians and collaborative members of the team.

“Safety and quality are non-negotiable. That is the Altec expectation.”

Altec’s safety professional team starts each day with morning stand ups and a safety message, says Tima.





"The expectation is we are engaged in safety from the minute we walk into the facility, every single day." Every level of employment is critical to the build, from general assembly members who work with hand and power tools to hydraulic technicians installing valves, and routing and hooking up hydraulic lines to electrical technicians.

For Tima, people are Altec's greatest strength in a company that invests heavily in the growth potential of its employees.

"I first came to Altec in 2007, and really it was going to be a temporary assignment to paint six custom trucks for Altec Worldwide. And it changed my career path. I had just graduated with an accounting degree, and was planning to move back to the cities, but my wife had different plans and said, 'We should stay in Duluth,' which is where I went to school. So, I came back and joined Altec and ended up getting hired as a forklift driver and worked with them in 2008 and moved into all sorts of different roles. I held a frontline supervisor role in a few different departments, materials fabrication, and took on the production scheduling role. Most recently, I moved into this plant manager role. So, started driving forklift 15 years ago," summarized Tima, "and moved into some leadership positions and am now responsible for the final assembly operation."

Tima is truly humbled by the caliber of people he interacts with daily. "I can't highlight that enough. I'm an accountant in a manufacturing environment. I work with technicians and engineers every day that have unbelievable




skill sets. That impresses me every day, watching everyone work together with the complex builds we do; you need all those skills in order to do it successfully."

Engage any of these employees in a conversation and it's easy to see how Altec values its workforce and provides opportunities for growth.

"Just being an engineer, I'm constantly curious," says Joe Deters. "Every three years Altec hosts an engineering symposium where they gather all the engineers from around the company, put on presentations and have poster authors that bring ideas that can better the product for our customers or better the company. It's a great networking event, a great opportunity to spur innovation, spur new ideas and basically make sure that those new ideas can become a reality."

From the fabrication side of the manufacturing floor, Jake Pessenda is grateful for the opportunity to share the Altec story with the Duluth community.

"In general, we're a fairly quiet company, but I think folks are continuing to learn about us and learn what we do and the opportunities that we provide. I'm proud of the team we have here in Duluth; just a fantastic group of people that have been able to grow an organization," says the long-time manager. "We're fortunate that we get to help people keep the lights on." 

Patrick Lapinski is a freelance writer who grew up in Superior.

