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No sign of a slowdown Schuette Movers and Metals predicts double-digit growth



Scott (left) and John Peterson are owners of Schuette Inc. of Wausau and its Movers and Metals divisions in Rothschild.

By Amanda Lauer

alauer@thebusinessnews.com

Talk of a recession might be dominating the news media these days, but you won't hear a word of it from John Peterson, president and co-owner of Schuette Inc., Wausau, and its Movers and Metals divisions in Rothschild.

While some companies might be hunkering down, Schuette Inc. is predicting between 15 and 20 percent growth. "For 2008, we see no indications at all of a slowdown," Peterson said. "Right now we're very excited about what we see. We're all surprised about what the media's actually saying and what the economists are saying. For 2009, we have certain customers that have very strong backlogs as well. We're pretty optimistic."

John Peterson and his brother Scott are the nephews of company founders Earl, Marv, and Cliff Schuette. Born on a dairy farm in Marathon City, the Schuette brothers used profits from their milk route to start a saw mill, selling framing lumber to builders.

Following World War II, they established a lumber yard and later a one-stop building center called Schuette Builders that led to the establishment of Wausau Homes Inc. in 1960. The company's concept of controlled construction, with finished home components transported and erected onsite, revolutionized the home-building industry.

Today, the Schuette Brothers' business, which included brother-in-law Jack Peterson, is divested among family members. "The Peterson family ended up getting a portion of Schuette Inc. and in 1983 purchased the remaining stock," John Peterson said. "My brother Scott and I are owners of Schuette Inc."

According to the company's Web site, Schuette Movers has been in the structural moving industry since 1946, and has moved

everything from ranch-style homes to 400-ton solid masonry buildings. The company also has moved various machines and equipment, including a 170-ton steam locomotive and a 130-ton transformer.

In 1955, Cleveland Cliffs, a mining company in Michigan's Upper Peninsula, contracted with Schuette Movers to relocate buildings before they caved in from the mining underground.

"Schuette Movers was actually incorporated in 1957," Peterson said. "The business was kind of an offshoot of Schuette Builders and also Wausau Homes. Earl Schuette decided it would be better to build houses — modular-type home building — and then physically relocate them. He patented a trailer and started moving buildings."

As one of the largest house-moving companies in the state, Schuette's moves 50 to 80 buildings a year. Crews consist of five to eight workers, with the division employing a total of six to 10 people.

The metal end of the business came about in response to building demands for Wausau Homes. "In 1972, when Wausau Homes was building its main plant, there was a fairly big demand for specialized equipment for the expansion process," Peterson said. "At that time, Midwest Metal Fabricators was purchased by Schuette Inc. That started Schuette Metals."

The business got its start in metal fabrication — job shop work in the Wausau area, Peterson said. "Particularly after the Wausau Homes plant was completed. In the mid-70s, the cost of lending soared and home building was basically shut off. Since Wausau Homes was a major customer for Schuette Metals, it really made that company have to stand on its own. Consequently, it started going out and doing other work outside of the

home-building business."

Schuette Metals is still fairly diversified, Peterson said. "But about 70 percent of our business is OEM parts. One of our largest customers is Case New Holland. We produce products for every single plant they have, including Mexico. Most of the parts are probably under 1,000 pounds, but there are several that are over that. We make engine mounts, speaker frames, rock guards for bulldozers, any kind of metal part that you can think of that would be used in a tractor, combine, bulldozer, front-end loader, or industrial tractor."

The company works mainly with carbon steel. "We do some aluminum as well as stainless steel, but that's fairly small compared to the carbon steel," Peterson said. "We also are tied to the architectural industry. A lot of that is because of a couple of very loyal customers — Wausau Tile and Wausau Window and Wall Systems. For Wausau Window and Wall Systems, we do anything steel that would attach the windows to a high-rise building. We've expanded beyond them. We're doing business with other people in that same industry," Peterson said.

Some of the processes the company has include laser cutting, plasma cutting, robotic welding, machining, finishing, fabrication, assembly, powder coating, and thermoplastic dipping.

"The other area that is probably more of a job shop, non-repetitive business is foundry equipment. We also do the pontoons for dredging equipment. So, we're fairly diversified."

The company recently expanded its 35,000-square-foot facility, adding an additional 76,000 square feet. "We've got three welding robots. We've added additional laser equipment," Peterson said. "When we did the expansion, not only did we add floor space, but we added the latest and greatest technology

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— John Peterson,
co-owner of Schuette Inc.

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to be able to give us the competitive advantage over our competition."

Approximately 85 employees work two shifts at the plant. "We're in the process of adding employees. We've done some things that are kind of neat," Peterson said. "The air quality system that we put in for the welders is second to none. Every welder has a smoke extraction arm that pulls the smoke away from their breathing zone. We also air condition the building."

These perks were added for two reasons, Peterson said. "We want to be able to hire the best employees and retain the best employees. You can have all of the buildings and the equipment in the world, but if you don't have people to work in the facility, it doesn't do you much good."

The business is definitely growing and the future looks promising, Peterson said. But growing in a controlled fashion is always a challenge.