

# Growing PMPA Member Kalkaska Screw Products Values Active Involvement

**K**alkaska Screw Products Inc. (KSP) was a machining division of an automotive filter manufacturing company until 1996 when the company decided to eliminate the division. Tedd Stewart, KSP's founder and member of the company's board, purchased the division.

Since its founding as an independent company, KSP has evolved into a globally competitive manufacturer of highly engineered machining components for a variety of industries including automotive, aerospace, recreational vehicles and several others.

"KSP is a strong company that made it through the recession in 2008 and 2009," says Kevin Schlueter, president of Kalkaska Screw Products. "Afterward, we jumped right into the automotive industry which had previously been only 20 percent of KSP's business."

KSP currently employs 86 people and ships more than 2.8 million parts each month. The company produces low-, medium- and high-volume parts using 20 Hydromat rotary-transfer machines as well as Swiss CNC machines.

## **Growth**

KSP has experienced significant growth, adding more than 40 employees since 2011, with plans to hire 10 more people before the end of 2014 and add a third shift for 24-hour operation. Sales have also grown more than 150 percent since 2011.

Mr. Schlueter, who joined KSP in 2010, says that the company has been growing by leaps and bounds over the past four years. In 2012, as part of the previous owner's succession plan, KSP was sold to its employees via an employee stock ownership plan, otherwise known as an ESOP.

"Through the ESOP, the employees have a vested interest in the success of the company and know that their efforts make a difference in their own share values," Mr. Schlueter explains. "Our employee ownership not only makes us unique, but also creates a shared vision for success."

KSP's success led to the company being recognized by the Traverse City Area Chamber of Commerce with the Hagerty Small Business of the Year Award for 2013.

## **Community Involvement**

"Our people come in every day and work hard making parts. For them to gain recognition for it in the award process was exciting," Mr. Schlueter says. "The KSP staff was so incred-

ibly inspired by the award that they decided to take KSP's community involvement to a new level."

Mr. Schlueter explains that the employees, on their own, undertake a variety of fundraising initiatives including bake sales and raffles.

The funds that are raised are donated to various programs within the community. Beyond raising funds, the employees donate their time to community initiatives such as adopting families for holiday gifts and, for the past two years, participating in the annual Trout Festival.

## **PMPA Membership**

According to Mr. Schlueter, KSP was already a PMPA member company when he began working there, and the value of membership was immediately apparent.

"Our involvement with PMPA has increased significantly since I joined the company in 2010. When I went to my first meeting, I recognized the benefits of being part of the organization, the networking taking place and the connections that you make by being a part of it," Mr. Schlueter says. "I try to attend all of the national PMPA meetings, which wasn't always the case in the past. I personally see the benefits of the services PMPA provides and I fully support KSP being a part of PMPA."

Along with in-person networking and events, KSP takes advantage of other PMPA membership benefits including online benefits. Mr. Schlueter explains that KSP has used the listserves to find equipment and connect with other members on important issues.

"They try to help you solve the issues you're dealing with, whether it's trying to find machinery or HR questions, or all of the changes in policies like healthcare and benefits for our employees," Mr. Schlueter comments. "Being part of PMPA is kind of like having your own board to bounce ideas off of in order to accomplish the goals of your company."

