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# MINNESOTA BUSINESS

JUNE 2008

OPPORTUNITY > GROWTH

► **SPECIAL ISSUE**  
Woman Entrepreneurs

## MOTHER OF (RE) INVENTION

Christy Bieber Orris took over her family's manufacturing business a decade ago, and all she has done since is tripled its size and diversified its customer base. Can her \$158 million collection of five ATEK Companies manufacture double digit growth in this current economic climate?

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wreak havoc on  
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**W**hat is your favorite word? Success? Value? Enterprise? Ambition? Opportunity? For me, I would have to say it's the last one; after all, taking advantage of opportunities that are either presented to us or are of our own creation is what most entrepreneurs live for, right?

We are being told by some in the business media pages—and in classified ads even—that the current economic “slump” is creating new opportunities for entrepreneurs. New businesses are certainly being started as people explore other options in the face of challenging economic times. And in fact, in many parts of the country, women in particular have been starting businesses at two and even three times the rate of men.

Of course we applaud and celebrate those efforts all year long, but we also want to take special note during our annual “Women in Business” issue. Not only are we featuring a woman-owned business on our cover, but we write about women-owned enterprises exclusively throughout the magazine; from our Upstarts all the way to the Commentary on the back page.

Christy Bieber Orris, the CEO of one of the nation's largest privately held manufacturing businesses, says her customers care about quality and they certainly care about costs, but she's not particularly aware they care about her gender. And as you will read, she doesn't give it a whole lot of thought either until we prompt her with our questions.

Regardless though of whether the best practices and lessons learned that are contained in our pages every month come from women or men, we trust that any and every entrepreneur and business leader can find plenty of takeaways. And maybe the day will come soon when we won't have to give special distinction to a “women in business” issue.

Until then, we certainly are proud to bring this one to you.

Kenan Aksoz  
EDITOR-IN-CHIEF

# MINNESOTA BUSINESS

LEADERSHIP • OPPORTUNITY • GROWTH

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**METROPOLITAN**  
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Christy Bieber Orris took over her family's manufacturing business a decade ago, and all she has done since is tripled its size and diversified its customer base. Can her \$158 million collection of five ATEK Companies manufacture double digit growth in this current economic climate?

# MOTHER OF (RE)INVENTION

BY David Gee PHOTOS BY Tate Carlsson

Some of the products that fill the reception area of the corporate headquarters of ATEK Companies in Plymouth would be immediately recognizable to the CEO's grandfather. After all, crankcases for aircraft engines, motorcycle cylinder heads and structural castings for large printing presses haven't changed all that much since Fred Bieber purchased a tool and die and metal stamping company for \$25,000 in 1956. His son, and Christy's father, Bill, eventually joined the company and put his own stamp on it through growth and acquisition. A few cored casting and mat products along with some aluminum reels might be the only thing about the company that looks familiar today though.

Now more than 1,600 products sold in the medical, aerospace, defense, communications and transportation fields, are all produced by the newly reorganized ATEK Companies which include: ATEK Manufacturing; ATEK Medical; Progress Casting Group; ATEK Plastics; and ATEK Products Group (previously known as Larco Manufacturing).

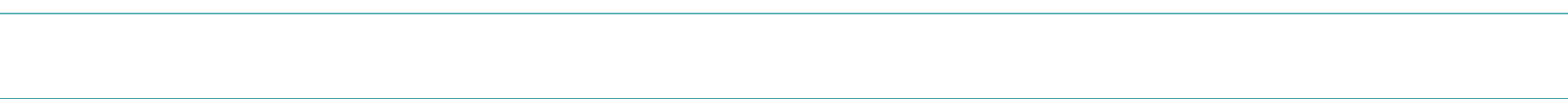
"It's been really fun and we're one of the few companies to create this space," says CEO Christy Bieber Orris. "We're the largest privately held diverse contract manufacturer that I know of."

"In terms of putting the company as it now exists together, there really wasn't any kind of a master plan, we just took each thing as it came," says president Kay Phillips, who joined the company in 2001, after spending more than 25 years in the corporate world, primarily in manufacturing. "I met Christy and we hit it off from the start. The business she was running at the time was going through a difficult time after some great periods of growth, but it was primarily in one industry with one primary customer. It was clear that relationship was not going to continue so we needed to reinvent the company to sustain the business."

Though Bieber Orris began working for the family business in her teens, assembling various products and picking orders, she decided to go her own way after college. She moved to

"IT'S BEEN REALLY FUN AND WE'RE ONE OF THE FEW COMPANIES TO CREATE THIS SPACE. WE'RE THE LARGEST PRIVATELY HELD DIVERSE CONTRACT MANUFACTURER THAT I KNOW OF."

—CHRISTY BIEBER ORRIS,  
CEO, ATEK COMPANIES





Christy Bieber Orris and S. Kay Phillips inspecting some castings in the ATEK factory

Chicago to work in operations for Baxter Healthcare, then it was on to grad school for an MBA at Dartmouth's Tuck School of Business, and General Mills for some broad brand management experience. Her father would call from time to time about having her come "home" to work in the family business, and she said no until he asked her in 1998 about becoming the president at Regent Aviation, that was then part of her father's family of companies.

"That was a really nice transition for me into the family business," recalls Bieber Orris, sitting in her father's corner office still adorned with models of business jets. "At General Mills you run a brand, a small business of sorts, but with this huge structure behind you. And coming to Regent with 70 employees was a fun way to get my feet wet in a smaller business that I connected to right away."

She bought 50 percent of ATEK Manufacturing in late 1999, a move her father and his then-CEO thought carried some risk. The business was a sole source operation for 3M at the time, and 3M was under pressure to move work overseas. As it turned out, ATEK Manufacturing did end up losing part of their product line to Mexico.

Bieber Orris says "that's when I asked myself the question of whether we should simply shut the doors or reinvent ourselves. I wanted to roll the dice and chose the latter." Her success was hardly assured however, so her father suggested she buy her sister out of part of the company she had also invested in, if Christy wanted to "take this thing somewhere."

"I knew what I wanted to do but I didn't know how to do it. That's when I said I need help, that I can't do this on my own. So I went out and actively looked to bring in a partner, to bring in a president, and that's when I called Kay. She and I partnered on really turning that business around. Kay took a big chance and we were very upfront about the risks."

## Christy Bieber Orris

**ON FAILURE:** I am not at all fearful of failure. I don't even know that there is such a thing, I just think of it more as course correction.

**ON HIRING:** I believe you should always over hire. I am always willing to spend more money to get that really good person.

**ON WORKING WITH HER FATHER:** We have different management styles. Sometimes we push each other. We usually get to a better end result but it sometimes creates friction.

**ON DIFFERENTIATING HER COMPANY:** We really focus on customized solutions.

A lot of companies say this is what we do and leave it at that. We're more about asking what you need.

**ON THE GREATEST TRAITS OF AN ENTREPRENEUR:** Being humble and surrounding yourself with people who are brighter and smarter than you are.

**ON HER BIGGEST SUCCESS SO FAR:** The team we've built. We have put together the right people to take this business to great things in the future.

**ON SUCCESSION:** We try to make sure we are constantly recruiting. We are always trying to infill our positions two or

three people deep so that our success is not dependent on any one person.

**ON THE JOB GOVERNOR PAWLENTY IS DOING:** I actually think Minnesota is a pretty good state to do business in.

**ON OPPORTUNITIES IN A "DOWN ECONOMY":** We're actually out there looking for acquisitions. We think there's some value and that it's a good time to look because not a lot of other people are.

**ON AN EXIT STRATEGY:** My view is as long as I am having fun I will keep doing this. I love to build things.



S. Kay Phillips, president, ATEK Companies

## LEADERSHIP & GOVERNANCE

### Management Team

**CEO, ATEK Companies:**

Christine Bieber Orris

**President, ATEK Companies:**

S. Kay Phillips

**CFO, ATEK Companies:** Mark Osanski

**Vice President Human**

**Resources:** Han Hoppe

**President, ATEK Medical:** Chris Oleksy

**Vice President, General Manager,**

**ATEK Medical:** Scott Fetzer

**Vice President, Chief Quality/**

**Regulatory Officer:** Roger Brink

**President, ATEK Plastics:** Tom Houdeshell

**Vice President, General Manager,**

**ATEK Manufacturing:** Rick Steer

**President, ATEK Products Group:**

Varuni Novick

**President, Progress Casting:** Tim Meador

**Chairman, ATEK Companies:** Bill Bieber

## Corporate Timeline

**1945:** Micrometal Products, Inc. is incorporated, company name is later changed to Acrometal Products

**1951:** Fred J. Bieber (Christy's grandfather) hired as VP & GM of Acrometal Products, Inc.

**1956:** Control of Acrometal purchased by Fred J. Bieber.

**1964:** Bill Bieber (Fred's son and Christy's father) begins with Acrometal.

**1973:** Bill Bieber becomes president of Acrometal.

**1982:** A-Tek, LLC founded.

**1998:** Christine Bieber Orris joins business as president of Regent Aviation, Inc.

**1999:** A-Tek LLC owned 51 percent by Christine Bieber Orris & Kerri Bieber and 49 percent by Acrometal Companies, Inc.

**2001:** Kay Phillips joins A-Tek as president, later becomes owner; A-Tek diversification effort is launched.

**2003:** ATEK merges w/Acrometal; A-Tek, LLC changes its name to ATEK Manufacturing, LLC; owners of A-Tek, LLC purchase Medtronic's Cardiac Surgery plant in Grand Rapids, Mich., and name the new business ATEK Medical Manufacturing, LLC; ATEK Manufacturing acquires Acrometal, the original company in the Acrometal family of companies.

**2005:** Kay Phillips named president of the ATEK and Acrometal Companies. ATEK Companies and Acrometal Companies are merged under ATEK Companies management and marketed under their name.

**2007:** ATEK Medical adds medical device manufacturing facility in Heredia, Costa Rica.

Phillips and Bieber Orris convinced 3M to keep their business in Brainerd and they say that bought them some time at least. And because they were a much smaller organization at the time, the pair became the main sales force and began knocking on doors.

"I didn't now how it was going to work out initially of course, but certainly from my standpoint it has been a great relationship and opportunity," says Phillips in her pleasant, albeit direct way. "I've tried to take things I learned from the corporate world and combine them with the entrepreneurial spirit of smaller businesses to blend some of those best practices together."

In that spirit, Bieber Orris and Phillips realized the combination of ATEK's core capabilities and culture were an ideal fit for a successful entry into the medical device industry. In 2003, ATEK Manufacturing began discussions with Medtronic Cardiac Surgery and purchased the medical device company's manufacturing business in Grand Rapids, Mich., forming ATEK Medical.

Phillips says annual revenue on the medical sales side is in the range of \$75 million, or about half of the company's total revenue. She says they would love to get that 65 or 70 percent.

"ATEK Medical had been an entrepreneurial company developing its own products before it was acquired by Medtronic. A lot of those people stayed on through the Medtronic acquisition and then many of them have now stayed on through our acquisition. So we not only acquired manufacturing capabilities but intellectual capital as well. That was just a real plus for us and helped us expand the business. The people who work there really want that operation to be successful."

Phillips and Bieber Orris both admit that you can do all the due diligence in the world, and on this deal they say they did a lot, but you never know exactly what you're getting in an acquisition until spending some time there after the fact.

"We had to change some things at the plant, we had to bring on new sales and marketing capabilities, but the most important

thing was that we not miss a beat in the changeover," Phillips says proudly. "There were people within Medtronic that thought this was a great idea and there were people that thought it was a horrible mistake and was going to go down. Certainly a lot of people were watching it and we had to be perfect out of the gate. It's interesting to note we were awarded 'Partner of the Year' by Medtronic following the acquisition."

"It's run differently now," echoes Bieber Orris. "Employees wanted the company to be

private again and to be run as a real business, not as a cost center or a plant for a public company. It's more of a family atmosphere. I love the product lines we have and I love the way our products are used to save lives. That's a wonderful mission."

Bieber Orris continues that what they are really trying to do is create an industry on the contract manufacturing side. She says the larger OEM medical businesses have been comfortable outsourcing components, such as injection molding, but they are just now starting to outsource final products. That, she says, is a matter of trust to think someone else can do it better.

"Little by little this change is starting to take place, and these huge medical companies realize smaller, more nimble companies like ours can launch products so much more quickly than they can."

Is one of the takeaways from this that there are indeed some bright spots in the economic forecast, even in manufacturing?

"There is a lot of turmoil in the manufacturing sector certainly, as global competition has changed the playing field," Phillips says. "We're trying to play the game a little differently though. You'll see we're not trying to go head-to-head in areas where there is great competition. Instead, we're trying to find niches and specific areas where we feel we can really do well in. If you're clear about what you're doing, and you are focused in the right areas, we think manufacturing is a great place to be."

However, she says they knew they had to "go global" themselves, and ATEK Medical recently announced the addition of a medical device manufacturing facility in Heredia, Costa Rica. The company is currently producing several product lines there.

"As a solutions provider, it is extremely critical that our growth plans align with what our clients need to sustain their growth," says Chris Oleksy, president, ATEK Medical. "The addition of a Costa Rica facility strategically positions ATEK Medical to better serve our client's domestic and international growth goals."



The assembly line at ATEK Medical

## BIZ BRIEFING

### ATEK Companies

**Headquarters:** Plymouth

**Inception:** 1945 (original companies); 1982, ATEK Manufacturing

**Revenue:** \$158 million

**Employees:** 850

**Description:** ATEK Companies provide total product and supply chain solutions for OEM customers that include design, product launch, manufacturing, assembly, and packaging for components or finished products, serving the medical, power sport, automotive, defense and other diverse industries.

## LEADER PROFILE

### Christy Bieber Orris

**Title:** CEO

**Age:** 38

**Hometown:** Wayzata

**Education:** B.S., Colorado University; MBA, Tuck School, Dartmouth College.

**Family:** Husband, Jay; two sons, Luke, 5, and Ryan, 3.

As for the leader's own goals, they'll talk all you want about growth opportunities, cost controls and the like. It's obvious they spend a lot of time thinking about those issues. Don't however ask them questions about their gender. It's also obvious they don't spend any time thinking about themselves as a "female CEO" or "woman company president."

"I don't think it makes one bit of difference," Phillips says succinctly. "Our employees just want good leadership, good direction, and they want to feel confident in what we're doing. Gender is a non-issue within our company."

"I simply don't think about being a woman or a man in my job," adds Bieber Orris. "I do however think about women who want to start and/or lead their own business and I have some advice: Create your own opportunities and figure out where you want to be and how you are going to get there. I don't think enough people follow their dreams, and make things happen that they really care about. There is nothing more fulfilling—or fun—than running your own company." **MB**

