

TAKING CARE OF ITS OWN

Heritage, Pride Propel Jasper

By Symone C. Skrzycki

Believe you can and you're halfway there. – Theodore Roosevelt

Jasper's renowned German craftsmanship and work ethic is palpable as one enters City Hall. You can almost touch it. On second thought, you can. All of the furniture – the chairs, the desks, the cabinets – is manufactured by local companies.

"It's significant that I can sit here saying that I may be the only mayor whose entire city hall is furnished by items manufactured in their city," Mayor Terry Seitz declares. "I find that just phenomenal."

With a population of approximately 15,000, the Dubois County community is one of Indiana's most successful.

Jasper is small, but mighty.

Dubbed the wood office furniture capital of the world, it also houses headquarters for several global manufacturing giants. In Dubois County, approximately 42% of jobs are manufacturing related compared to slightly more than 20% in the state.

What truly sets the community apart, Seitz asserts, is the people and their celebrated work ethic.

"I'd like to bottle it. I think it's the intangible that really is beyond definition," he proclaims. "We're competitive. We want to work. We respect a good day's work and that doesn't apply just to the workplace. Our city's cleanliness, our city's focus on doing things well — regardless of what it is — leads to strength in charitable organizations, in volunteer time.

"We really take great pride in that work ethic beyond the workplace."

Crafting a legacy

The year was 1876. Alexander Graham Bell patented the telephone. Rutherford B. Hayes became president after a controversial election and German immigrants founded the nation's first wood office furniture manufacturer: Jasper Desk Company.

Generations later, Jasper Desk and other homegrown businesses have become international leaders and continue to thrive.

Among them (to name a few) are commercial furnishings producer Kimball International, which recently completed a spin-off of its electrical service business, and MasterBrand Cabinets (the largest cabinet manufacturer in North America is planning an \$8.8 million expansion at its production facility in neighboring Ferdinand).

"I think a major component (of Jasper's success) is the sheer number of businesses that either today are locally owned or at their start, it was the entrepreneurial spirit from two generations ago probably that started many of the woodworking furniture factories that are here," contends Mark Schroeder, chairman and CEO of German American. The \$2.2 billion financial services company, which he describes as a super community bank, was founded in Jasper in 1910 and is headquartered there today.

"That entrepreneurial spirit has continued, not just in that area (woodworking), but in companies like JASPER Engines & Transmissions and Meyer Distributing. The companies that are still based here in many cases, where there's still a strong element of local ownership – all of those companies basically started as a small operation with local investors, local management and have grown to the international companies that they are today."

Their ability to adapt has driven longterm prosperity.

Seitz explains: "Our (woodworking) industry has responded very well either through becoming international marketers, diversifying and aligning with partners. There's been some downsizing within that, but fortunately many of the brands that are known and came out of our community have been developed by other manufacturers within the community, so competitors became partners. And that has made our footprint in Jasper very, very strong."

Brenda Stallings is president of Matrix Integration, a technology solutions provider that serves the education, health care and government sectors as well as small- to-medium-sized businesses and enterprises. The culture among its approximately 90 employees revolves around taking care of customers and taking care of each other.

Stallings points to that famous Jasper work ethic, which she says starts at home.

"A lot of us (in the community) came from big families," she remarks. "I come from a family of 10. A lot of the people I have working here have probably come from families that have more than five. Today, a family of three or four is considered large. I think that growing up with a big family, everybody has to pitch in."

Doug Bawel, president and CEO of JASPER Engines, takes it a step further.

"At the end of the day, I don't even call it a work ethic. I really call it more of a pride perspective because if you travel in the community and drive around, they (residents) take pride in their homes. In the school systems, we have a lot of parental involvement. To me, it's more than just a work ethic. It's really about taking pride in what you have," he asserts.

Building connections

Bawel takes a hands-on approach at JASPER Engines. He may not know all of the company's 2,500-plus associates by name (as he did when the organization was smaller), but each has his home telephone number.

"The idea that you can ride your car or plane in from Chicago and get what's going on in that business — I'm sorry I don't buy it," he emphasizes. "You've got to live it. You've got to be on the shop floor. You've got to talk to your people."

Established in 1942, the company is one of Dubois County's largest employers. It operates four remanufacturing facilities (with a fifth slated to open later this year) and announced in 2014 a local expansion of manufacturing operations that will create approximately 235 jobs by 2017.

The challenge for JASPER Engines and other employers in Dubois County is recruiting workers to fill the county's approximately 1,000 unfilled positions.

"We're both blessed and cursed with the lowest unemployment rate (3.8% in October) in the state — consistently," declares Alan Johnson, dean of Vincennes University Jasper (VU Jasper) and chair of the Dubois Strong economic development group. "We've been fortunate that some of the companies have expanded locally, but they're starting to say, 'How are we going to do that in the next round of growth if we can't find workers here?' "

Neil Dauby, regional president at German America and member of the Dubois Strong board of directors, also reflects on the obstacles the county's low unemployment rate brings.

"It creates a different set of problems," he acknowledges. "It's kind of a unique issue the county has. It's a great problem to have. We've got the success and the growth. We

need to get the people to live here."

To help bridge the gap, seven area employers — including JASPER Engines — partnered with VU Jasper to launch the Career Advancement Partnership (CAP) in which students can earn an associate's degree in technical maintenance.

The program blends classroom training at VU Jasper's Advanced Manufacturing and Technology Center (established in 2013, the 54,000-square-foot facility provides education and training for individuals and employers in Dubois County) and paid, on-the-job experience. Students receive financial assistance for tuition and related fees.

"The building has industrial labs, it has classrooms, it has a large theatre and a lot of office space," Johnson explains. "With each (participating company) employing one, two, three, four individuals, we now have a core group of about 27, I believe, enrolled. Their work experiences at the company are coordinated with what they're learning in their classes and labs here.

"They'll come out ... with probably a guaranteed job because the company has been mentoring them all along. It's a dynamite program."

Adds Bawel, "So many young people today go off to school and come out with tremendous debt. This is a program where in two years, you should have zero debt and you can even (subsequently) go to a four-year program.

"I stole the idea from Toyota (which has done something similar at the university's Vincennes campus and in other locations). We put together our own steering committee of local people and we went to VU and said, 'This is what we want.'"

Linking curriculum with workforce development needs, he says, is crucial.

"We believe in continuing education, but



JASPER Engines became a 100% ESOP (employee stock ownership plan) company in 2010. "We own the company, so we want to do well," says team leader Lori Cronin (left) pictured with team member Cori Sturgeon. "We do it for our customers. If they're not happy, we're not happy. We always have the end in mind."

Singing a Successful Tune

Gaither Grows Big Business in Small Town

Bill Gaither was born in Alexandria in Madison County. He has been performing since founding the Bill Gaither Trio gospel music group in 1956. He and his wife have composed more than 700 songs. Gaither Music Company (in Alexandria, population approximately 5,000) includes a record company, television production, recording studio, retail center and more.

How do you grow such a successful company in Alexandria, Indiana?

"About 40 years ago we said, 'We think we can do the publishing part better ourselves.' Unlike a Nashville company, we will get up every morning thinking about what we can do for the songs we have written. What can we do to get those out to artists who will perform them? What can we do to promote them?

"I said I would rather do this at home and control it. I think we can do better that way. Gloria and I have been married 51 years. We are still the publisher and the writer. We would have given 50% of that (income) away (if utilizing the traditional business route).

"The big one was geographical. Somewhere we missed the turn in the road between Alexandria and Nashville. Our studio was simply an outgrowth of our own recording. We were saying, 'We're spending a lot of time and money going to Nashville; if we can get some of this done here' ...

"We built it just for audio; in 1991, I discovered a video camera – I guess I'm a slow learner – and realized the power of putting pictures with words. Then this studio probably became more known for the video and the whole editing process. We did it mainly because of the work we had to have done. Recording simply has been an outgrowth of needs we had; then other people saw the quality of the work we had."

Why was it so important for you to do this in your hometown?

"I'm sitting right now at a desk that is probably about a half mile from the place I was born, and I'm 78 years old. Gloria and I live in the same house we built 48 years ago when we were teaching school. For us as creative people, that has been a major plus mainly because our roots are so deep. I think there's something about Midwest integrity; that is one of the values that was driven home as a kid. You don't stay in



business over 50 years by shading the truth. You might do it for a while, but sooner or later it's going to catch up with you.

"At one time, GM in this county meant General Motors. If I would have bet what would be a viable company with retirees and people getting some benefit out of good fiscal management, I don't think I would have bet on the music business. For people who want to go into the music business, my first advice still is to get a day job."

What has been the impact on the community?

"It makes me feel good people have worked here 40, 45 years. They have a pension plan, they've put back for retirement.

"(As for the Gaither Family Resources bookstore/retail outlet/coffee bar) In the back of my mind, it's a little ray of hope in Madison County. I like to come here and get lunch. It gets you out of the doldrums. I just use the phrase it's a place of hope. From a business perspective, a little oasis of hope for people – I think that's good. It's really an extension of who we are. Our songs have been songs of hope from the beginning."

Leaders Speak: Most Bold Idea to Reshape Indiana by 2025



"As a leader, what I think Indiana needs to do is get exceptionally aggressive in attracting technology-based companies. The reason why is because with those types of industries come really high-paying jobs, which translate into higher tax bases, which translate into better schools and producing just an entirely different generation of people.

"Technology breeds technology – I say that all the time. What we need

to do is invest in getting that started. We dabble into it by saying we have incubators or we encourage start-ups. But 99% of start-ups fail. We need to go after the big companies and bring them here. And it's just going to require an enormous investment.

"Companies are seeking new homes that are favorable to their balance sheets. Indiana needs an entire makeover and it needs to be thought of as a progressive state instead of a farming state.

"We build software for the most part for the federal government – high-end, defense related software mostly in cyber security. We're building a 54,000-square-foot software facility in Southern Indiana to house 200 expert software developers. We can't find them, so we're trying to hire people from Louisville and get them to come to Southern Indiana, and the only thing the state has offered us is basically tax incentives. ... Indiana is great at putting incentives (on the table) for manufacturing, but they (state officials) do not understand and do not have a vision for technology companies."

– Joey Rivera, President and CEO, Rivera Consulting Group, Sellersburg

make it continuing education that's meaningful, that you're enthused about," he emphasizes.

Wanted: talent and tourists

Jasper's quality of life offerings make it an attractive place to raise a family. College graduates who have left the community for new careers and experiences sometimes return around age 30 to start the next chapter of their lives. What's missing is affordable housing.

"Young people coming out with a bachelor's degree who want to come back here and get a job have a dickens of a time finding someplace to live without moving in with their parents, so we need more apartment complexes built in addition to single-family houses," Johnson notes.

Schroeder points out that those types of jobs - and the competitive salaries that come with them - help entice youth.

"It's a great place to raise a family. But with that, you've got to have the positions that provide them that (desired) level of employment. Because we do have the types of companies that we have here, we can provide (higher-level income) positions perhaps more than other communities of our size that really don't have those types of homegrown companies that have developed into significant operations."

Those jobs also draw residents from surrounding cities and counties to Jasper during the workweek, when the "population" nearly doubles due to an influx of commuters.

"That in itself helps feed the economic base here because the people who work here, but perhaps don't live here, they shop here, they come here for health care," Schroeder comments.

Charles Stafford, vice president of technical operations at Matrix, drives nearly 90 minutes each way to work from his home in Louisville.

What makes that long drive worth it?



The Advanced Manufacturing and Technology Center at Vincennes University Jasper provides students with practical learning opportunities. "These students are thrilled. They're enthused. They're smiling. They love what's happening because they're in a hands-on kind of program," declares campus dean Alan Johnson.

"Brenda does a good job letting us be creative," he reflects. "It goes back to the people and my ability to impact the culture we're trying to drive here. I came from corporate America, so I was used to a large company with a lot of people and was looking for something a little more intimate. Matrix provides that for me."

Marveling at the city's ability to double in size as a result of commuters, Stallings contends, "I think that's a huge benefit and I don't know if other small towns have that. And if they do, then (what

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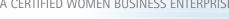
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distinguishes Jasper) goes back to leadership. It's about the vision of your community leaders and how important it is to get the people involved and build something that the people want to be a part of."

As an example, she describes downtown revitalization efforts and recalls how the city sought residents' feedback on repurposing 500,000 square feet of unoccupied former factory space along the riverfront and developing a vision for the Parklands of Jasper, which consists of 60 acres of managed meadows. (The riverfront potential includes urban



Take care of the customers and take care of each other. That philosophy drives the culture at Matrix Integration.

housing, hospitality entities, cultural amenities and more).

"When they were looking at the downtown and the riverfront and what we could do here, they held town hall meetings and we had hundreds of people show up," Stallings observes. "They took our input and CityVisions (the consulting group partnering on the initiative) came back and showed us the plan. To take that and then show us a vision of what they're thinking is important."

A vital downtown, Seitz emphasizes, is critical in attracting talent and tourists. Like so many other elements of Jasper's success, quality of life, business prosperity and culture are all woven into the fabric of the city center.

"In many communities, you can have a very strong business community, but the community at the core has a rotten downtown," he shares. "In today's world, you have to be competitive and that's where the quality of life comes in."

Dauby, who didn't grow up in Jasper, shares his perspective on what may be the community's most unique feature.

"One thing I really notice — not being born here and coming in — is how vested people are, how much participation there is. The commitment they make. Typically, people want to stand in the background and say, 'Others will take care of that.' I've lived in a number of communities and I think that makes all the difference in the world."

Bawel pauses thoughtfully when asked what sets Jasper apart. Clasping his hands and leaning forward, he puts it simply: "I think it's our people. To me, it's all about the people."

RESOURCES: Terry Seitz, city of Jasper, at www.jasperindiana.gov | Neil Dauby and Mark Schroeder, German American, at www.germanamerican.com Doug Bawel, JASPER Engines & Transmissions, at www.jasperengines.com | Brenda Stallings, Matrix Integration, at www.matrixintegration.com | Alan Johnson, Vincennes University Jasper, at www.vinu.edu/jasper



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