

PROFILE

PPAI MEMBERS SHARE THEIR STORIES



LEFT The Cedar Crest team with PPAI leadership, from left: Doug Miskimen, president; Steve Slagle, CAE, PPAI president; Dave Thalacker, vice president of operations; Sherri Lennarson, MAS, PPAI chair; Paul Bellantone, CAE, PPAI executive vice president; Sue Kazimour, director of customer service; and Jim Boulet, sales manager

Inside A Start-Up

CEDAR CREST FOCUSES ON WHAT IT DOES BEST

By Tina Berres Filipski

Many people believe when a door closes, a window opens. In the case of Cedar Crest Manufacturing (UPIC: CCM), that window opened wide enough to offer a new beginning for Doug Miskimen, Dave Thalacker and the believers in Cedar Rapids, Iowa.

Devastating floods in June 2008 put 10 square miles of the city underwater and temporarily closed Norwood Souvenir, a 100-year-old writing instrument supplier employing 190 people. By October, Norwood decided it wasn't economically feasible to remain in Cedar Rapids and, instead, elected to move the operation to Red Wing, Minnesota, more than 200 miles away. Miskimen, then general manager, was given two choices: relocate to Red Wing or find a new job.

But Miskimen, who had been with Souvenir for 32 years, and Dave Thalacker, director of operations and a 12-year company veteran, had another idea: launch a new writing instrument supplier company in Cedar Rapids using the expertise of out placed Norwood Souvenir employees.

Last December, the two began their due diligence, which included talking with others in the industry about their plans. "We determined that it made sense and got

a lot of encouragement to move forward," says Miskimen. "We thought it would be crazy not to continue doing something we both enjoy."

As they moved forward to find a facility, make contact with vendors, get financing in order and the other steps necessary to launch a new business, Miskimen called on assistance from Priority One and the Entrepreneurial Development Center. "Priority One is a business development group in Eastern Iowa with whom I'd worked in the past," he says. "The folks pointed us in the right direction for getting state assistance and helped in other ways. For the areas in which they were not experts, they directed us to EDC, which is a resource to help entrepreneurs in existing or new businesses understand how to get financing, work with banks and write business plans. We worked hand-in-hand with both of these groups to help bring our idea to reality."

In March 2009, the pair moved their new company, Cedar Crest, into the 20,000-square-foot facility and opened the doors for business on July 1.

"It was an interesting deal," he says. "I'd never started a company."

What he enjoys most about running Cedar Crest is that there is no red tape. "We try to find a way to say yes all the time," he says happily. "When we opened the doors here we prided ourselves in not getting caught up in red tape. Instead, we do what serves the customer best. We offer very personalized contact with distributors to accommodate their requests."

By the end of 2009, the company was able to hire back 10 employees from the former company and one new person was added. Miskimen, president, says he would have hired back all the former employees if he could have but expects to more than double his team to 30 by the end of 2010. The staff currently includes Thalacker as vice president of operations, a customer service manager

and a full-time sales manager. Cedar Crest also has additional sales coverage with nine multiline reps calling on 25 states.

In addition to a commitment to personal service, the other element setting Cedar Crest apart, says Miskimen, is that the company does what it knows best: writing instruments. “We don’t dabble in multiple product categories. We are focused on one product line: writing instruments.” Cedar Crest domestically sources wooden pencils and imports plastic and metal pens in the retail price range of 25 cents to \$2.50.

While the past year has been one of the most challenging in recent history to start a new business, Miskimen says he continues to get very encouraging response from distributors. “There’s a lot of positive feedback as to how we are doing things and it makes us feel good,” he says. “While the sales cycle is longer than anticipated, as soon as distributors realize we’re not a new company, but the same group associated with a new name, they become a customer.”

The good news about launching a new company in tough times is that it can grow very quickly. “When you start from zero, every sales dollar is a dollar in the plus column,” he explains. “We don’t have to worry about trying to cut back in size of the facility or workforce. We can continue to grow during a down economy and are planning to have a rapid growth.”

With a combined 80 years in the industry, the current team of 12 will no doubt be able to skim across the rough waters of a turbu-



ABOVE Cedar Crest opened the doors of its 20,000-square-foot facility on July 1, 2009.

lent economy more easily once the company name becomes more widely known. Miskimen is looking at 2010 as a year of promise.

“One of the things that bothered Dave and me is that 190 people were out of work when Norwood decided to move the company to Red Wing,” he remembers. “We wanted to help some of our former colleagues get back to work and had the ability to keep people in an industry they enjoyed. None of us wanted to leave it.” 