



# City of Mosinee

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## *American Planning Association National Award Community*

August 4, 2016

Ms. Renae Krings  
Wausau Region Chamber of Commerce  
200 Washington Street, Ste. 120  
Wausau, WI 54403

Re: Manufacturing Excellence Award - 2016 Nomination

Dear Ms. Krings:

Please accept this letter as further support for my nomination of one of your newest members, AROW Global, for the Chamber's 2016 Manufacturing Excellence Award. In Mosinee, we are proud to call AROW Global a part of our community and it is my honor and extreme privilege to personally write this letter on its behalf.

Shortly after I was first elected Mayor of Mosinee I was invited to tour AROW Global and I recall how impressed I was. I felt an immediate sense of enthusiasm and energy from workers, a workflow that seemed fine tuned to perfection, and a shop floor that did not seem to have a single item out of place. This is why when I learned of the Chamber's Manufacturing Excellence Award I knew I had to go back a second time, and what I learned this time impressed me even more than the first.

AROW Global is an industry leader in the manufacture of window systems for transit buses. When I say an "industry leader" with respect to AROW Global, it is not just a catch phrase. Specifically, AROW Global dominates approximately 70% of the market for transit bus window systems and its Central Wisconsin facility is the company's only U.S. facility employing just 180 full time employees. AROW Global constructed its initial facility in the Central Wisconsin Business Park in 1995. Since that time, the facility has expanded twice, including a most recent 22,000 square foot expansion. In the past 5 years alone, despite the wake of the recession, the company has invested \$5 million in its plant and facility and added 60 jobs - a third of its current workforce.

When I recently returned to AROW Global, I sat down for a roundtable discussion with members of AROW Global's management team to learn more about some of the specific things it does that meet the criteria set by the Chamber for manufacturing excellence. I knew there had to be some great stories behind an operation that appeared to me to be a cut above the rest, and I was right.

When it comes to growing the region's economy, AROW Global should be cited as the example for others to follow. In just the past decade, the company has gone from a \$9 million to a \$40 million operation. It employs people from as close as Wausau and Mosinee to as far out as Medford. The company's payroll is approximately \$8 million. Considering the multiplier effect of that in the community, one could easily put the impact on the region's economy at three to six times that amount.

This would seem to be enough in and of itself to impress anyone; however, AROW Global's contribution to growing the region's economy is not limited to the walls of its own factory. To the contrary, AROW Global sees itself as a joint venture partner in Marathon County. Again, this is not just a catch phrase or marketing slogan for AROW Global - it is a reality. In particular, AROW Global purchases 80% of its material in Marathon County, which equates to approximately \$20 million in raw material purchases right here at home.

The monetary investment in Marathon County is only the beginning to AROW Global's contributions to growing the region's economy. In particular, they have taken what they have learned when it comes to improving the quality and efficiency of their own operations and shared it with their suppliers recognizing that the better their suppliers become the better AROW Global performs. These suppliers have realized the benefit of becoming not just a supplier but a strategic partner or, what one manager characterized as an extension of the process. One such supplier for instance has seen its business with AROW Global grow from just around \$100,000 to \$2.5 million.

The progress that AROW Global has achieved with these strategic partners comes from operating with the same attitude taken by its managers and employees in-house, and it is what AROW Global refers to as a blameless approach to talking about problems. As one of the AROW Global managers I met with explained to me best, during his decades of working in a prior factory environment, more time was spent finding out who was to blame and what the punishment would be when something went wrong rather than discovering what led to the problem in the first place. Blaming is not part of AROW Global's approach to solving problems with its employees or suppliers.

In addition to the external supply chain that AROW Global continuously improves AROW Global has done much to improve its internal supply chain. A shop that once moved from start to finish in a straight line fashion required a finished product to go all the way back to the end it started on to meet the loading docks. AROW Global transformed its shop floor into a circular fashion to eliminate this wasted step. To further eliminate non-value added time, AROW Global dedicated employees on the floor to filling carts that go to workstations with all the parts necessary for that particular employee's task so other employees are not wasting time picking items. Archaic, paper based shop manuals in large binders have been replaced with computers near each workstation where employees can log in by timekeeper number to immediately see a file of all parts they have previously worked with.

The proof is in the numbers. Prior to implementing some of these initiatives, AROW Global found that 33% of the time, employees were not

touching products. That figure has now been reduced to 10%. As a result, AROW Global has noticed a 25% increase in capacity while accomplishing what once could be accomplished with 60 hour work weeks in a 50 hour work week. What is most noteworthy is that these and other initiatives did not come from a consultant but from within.

AROW Global's strength comes from its people, and at AROW Global, its goal is to brand itself as an employer of choice. This leads to the culture that AROW Global has created and the quality jobs that AROW Global provides. As one of the managers I met with explained to me, culture is contagious and AROW Global certainly has a culture of its own. As you walk around the factory at AROW Global you will meet fathers and sons, husbands and wives, and cousins. You will not find any chairs on the floor. Workers are engaged and busy. Each morning begins with a "Tool Box Meeting." When I first visited AROW Global I was invited to a tool box meeting where I saw everyone from shop employees to executives participating. During these meetings, employees will take turns talking about something for the entire group which can range anywhere from safety, to efficiency, to culture. Before leaving the tool box meeting and throughout the day, all employees, including senior leaders participate in stretching exercises as part of AROW's ergonomics program.

While you may find some of these things at other manufacturing facilities, they are usually short-lived and less than all inclusive. For example, one manager cited a recent visit to the facility by representatives of Volvo, who mentioned that it was the first time they had seen executives participating in a tool box type meeting.

When it comes to quality jobs, AROW Global is the place to be. The average earnings in 2015 for all shop employees was \$49,558. When it comes to benefits, while most employers start benefits at 90 days, AROW Global starts benefits for new hires, regardless of the position, at 30 days.

The company prides itself on growing from within. For professional staff members, 43% have been promoted at least once. For the organization overall, a fifth of the employees have had at least one promotion. When it comes to employee accomplishments, goal setting is not numbers based, but theme based. In other words, employee goals are more about working toward a theme than an arbitrary number. This theme based approach causes barriers between departments to evaporate.

There is much to AROW Global's success and this letter can only possibly hope to capture some of the reasons behind it from my brief visits to the facility and my meetings with its team members. I encourage you to take some time to hear the stories from the people at AROW Global by viewing its videos on the following webpage:

<http://www.arowglobal.com/corporate/careers/>

As Mayor of Mosinee, when I talk about our community, it is an honor and a privilege to say that a company like AROW Global is with us. However, I think it is clear from what I learned above that AROW Global's contributions run deep throughout all of Marathon County and Central Wisconsin and, as a Wausau Region, I think we should all be proud to say, they are with us.

Most Sincerely and Respectfully,

A handwritten signature in black ink, appearing to read "Brent J.", with a long, sweeping horizontal stroke at the end.

Brent William Jacobson  
Mayor - Mosinee, Wisconsin  
[mayor@mosinee.wi.us](mailto:mayor@mosinee.wi.us)

cc: Common Council