

Business Spotlight

Schwieters Companies Are Expanding in Hugo... Again

New Rail Spur Will Eliminate Need For Stock Lumber Site

Photos and Story by Deb Barnes

A visitor has only to walk through the doorway to the administration building to see that the Schwieters brothers' companies are a cut above the rest. For a reporter who grew up visiting lumber companies with her dad, it was pretty clear from the very beginning of my tour that John and Joel Schwieters are visionaries in the field of construction framing and millwork production.

When the Schwieters brothers were growing up on a farm in rural Greenwald, Minnesota, they probably never considered the possibility of working together in multi-million dollar construction companies. As two of twelve siblings, however, they did learn something about efficiency. They have put that to work in establishing their first, which operate side-by-side in Hugo's Bald Eagle Industrial Park. John owns and operates JL Schwieters Building Supply Construction, Inc., the construction framing business; Joel owns and operates Schwieters Companies Millwork & Finish Carpentry. To describe these firms as "construction companies," however, falls short of the mark.

JL Schwieters: Framing Innovations

Imagine, if you would, the 45,000 sq.ft... wall panel cutting facility (or take a virtual tour on www.jlschwieters.com). The floors gleam. Clean-up is clearly an ongoing affair.

The idea behind this room of efficiency begins with the idea that Mother Nature has little control over construction operations that take place inside a heated, mud-free facility. Add the concept that digitally produced plans can be modified with the push of a button; that building units can be produced more efficiently inside; and that build-



JL Schwieters Building Supply Construction's wall panel cutting facility features state-of-the-art equipment and methods in modular construction. The facility is kept so neat and clean you could eat off the floor.

ing components – staircases or fireplace units, for example – can be replicated exactly in such an environment, yielding little material waste.

John Schwieters and his computer designers have developed a trademarked concept known as "NexSTEP System," which yields building framing components at a fraction of the cost to build them "in the field," that is, out on a construction site. Wall panels, stair cubes, fireplace units are all built here before being trucked to the job site where Schwieters' employees then install them.

"I estimate that 22-25 percent of the total hours that used to be spent on the job site are now spent in Hugo, inside," says Schwieters. That's 100,000 hours of job time, now moved out of the weather.

"With the manufacturing of paneled walls, cubes and the stairways, it makes it more efficient for us to maintain economies of scale. By centralizing,

we can use the wood up and eliminate waste.:

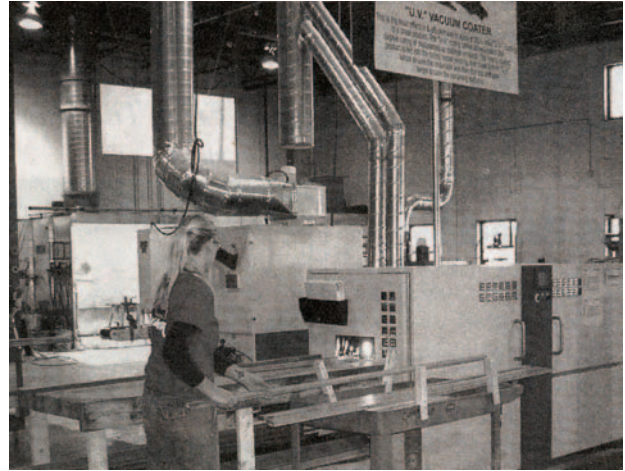
Conveyor systems move the wall panels around the building as they are completely assembled, swiveling the large panels around at the building corners. There's no heavy lifting here. In the building's center, two-story stair cubes are assembled from pre-cut two-by-fours by a team visibly adept at the task.

Pete Kulzer is the General Manager for JL Schwieters. He began with the company 25 years ago at the age of 16. Kulzer says that with the shifts they have, "we're doing 3000 lineal feet of panel wall per day. I would say we could do 4800." Workers are producing 130 building units per month, but they can do more. "We're not yet 100 percent fully staffed to keep the lines rolling at full capacity all day long. Hopefully, we can add on 20 percent to the number of units we're building now."

The company, formerly located in Spring Lake Park, is now planning its fourth building in Hugo adjacent to the new rail spur, just south of its existing buildings. The footprint of this cold-storage facility will be slightly over an acre, and will have an adjoining 1-1/2 acres of exterior storage for the materials Schwieters' growing business will require.

The new spur and building will permit the company to eliminate its use of the Stock Lumber site in downtown Hugo, where material is currently off-loaded from rail cars onto trucks and brought to the facility.

Says Schwieters, "I anticipate 200 rail cars per year initially, about four per week. The increase in raw material will give us the opportunity to hire more people for Hugo. You need estimators, administrators, truck drivers, managers. Going into the material end really made it possible to grow the business. Lumber is a commodity, and if you purchase it right, your opportunities for buying right are just the same as a lumber company that has \$100 million in sales."



In the Millwork Building, finished trim is removed after a few seconds in the UV curing machines and stacked on a hand cart. Recent technical innovations have drastically reduced necessary inventory and resulted in "just-in-time" millwork production.

Schwieters Millwork & Finish Carpentry: State-Of-The-Art Finished Millwork

Joel Schwieters has been in business installing millwork, or finish carpentry, for companies like Ryland Homes, DR Horton, Pulte Homes, Rottlund Homes and Centex for 22 years. For the past four years, Joel has supplied his own millwork. Since January 2005, Schwieters Millwork & Finish Carpentry has become the first company in the state of Minnesota to take those raw materials, finish them, and install them on the job site.

Says Sales and Purchasing Manager Fran Beckermann, who oversees all the estimating and does all the buying for the raw millwork. "It [prefinishing] gives us a lot more hands-on control of the product we deliver. We just have a lot more control over what we do for our customers."

Workers can finish 5,000 lineal feet of casing every hour. State-of-the-art ultraviolet (UV) finishing machines spray the lacquer to the exact measurements of the pieces being finished. Within seconds, the casing is dry to the touch and ready to be stacked.

Ron Kollman, General Manager, has been with Schwieters Companies for over 20 years. “The new UV curing process cures the product in a matter of seconds. We use finishing machines with an eye to ending individual handling of pieces during the finishing phase. New machines are being installed to actually finish doors, both sides, without handling.”

There is another benefit. Since Schwieters now controls the process from raw material to completed product, it has instituted a “just-in-time” production approach – virtually halving the inventory of raw materials required at the plant. Each project, no matter how small, can be handled separately from beginning to end.

“We market to all the builders in the metro area. Somebody who does five homes a year? We couldn’t supply them three months ago, but we can now.” says Schwieters.

Quality control is obviously important here, both in the pre-finishing process and in the job site installation. Explains Kollman, “We have a full-time trainer on our staff: that’s his job, that’s all he does every day. We have a training facility above the office where we bring new people.”

The training takes place right in the administration building, rather than out in the field. A mock up of a two-room “house” is constantly in use by trainees. Trainees install windows, bi-fold doors, fit casing – and they do it until they to it right.

Danielle Burger is a finish carpenter who has worked for Schwieters for 2-1/2 years. “I went to technical school in Red Wing, and earned my basic carpentry diploma in a one-year program,” she says. She saw an ad in the newspaper for Schwieters Companies.

They hired me to do finish carpentry. I came to this job very green. Schwieters trained me in.”

“They gave me my own project after six months or so. You just basically run the job, relay with the supervisors, take care of all the odds and ends on the punch list,” Danielle explains. “Schwieters makes you feel a part of the team.”

Danielle has been inside the millwork building through the winter but will be heading back out to the field in April – when Mother Nature decides to cooperate again.

For more information on the Schwieters Companies, visit www.finishcarpenters.com and www.jlschwieters.com.