

THE Business Journal

DECEMBER 11, 2009
ONE SECTION
VOL. 27, NO. 11
\$3.00

SERVING GREATER MILWAUKEE



FOCUS ON
MANUFACTURING
BILL MCNAMARA'S
Derse Inc. is part of the 10-year rejuvenation of the Menomonee Valley. **A19**

FOCUS ON Manufacturing

PAGE A19
DECEMBER 11, 2009
THE BUSINESS JOURNAL
MORE INFO ALL DAY
milwaukee.bizjournals.com



Bill McNamara . . .
"This type of interaction I haven't seen before."

Senior displayman Curt Gedig works at the Derse plant on Canal Street in the Menomonee Valley.

PHOTOS BY SCOTT PAULUS

One decade later, firms thrive in new hub of industry

BY RICH ROVITO
rrovito@bizjournals.com

The Menomonee Valley has become a hub of industrial activity again due to a host of redevelopment projects spanning the past decade, while efforts continue toward attracting even more businesses to the area near downtown Milwaukee.

"The valley is again an economic driver for the region," said Laura Bray, executive director of Menomonee Valley Partners, a nonprofit group formed in 1999 that oversees development of the 1,200-acre industrial valley.

Since the valley redevelopment efforts began, 19 companies, the majority of them manufacturers, have moved to the valley and seven

other businesses that already had been located in the valley have expanded. The new building and expansion projects have combined to bring 4,200 jobs to the area stretching from Miller Park to South Sixth Street, according to Menomonee Valley Partners.

"Ten years ago you needed an all-terrain vehicle to get around some areas down there," Milwaukee Mayor Tom Barrett said. "There has been great progress and we are proud of what's gone on down there."

Several manufacturers have been drawn to the Menomonee Valley in recent years, including Derse Inc., which moved from Wauwatosa into a newly constructed 160,000-square-foot building at 3800 W. Canal St. in December 2008. Derse chose the valley after an exhaustive search for an existing building in the Milwaukee area.

"We couldn't find a building to meet our particular needs," said Bill McNamara, Derse's vice president of human resources and co-owner of the company. "Now we have a state-of-the-art building that we designed and

built to meet our particular needs."

The new building has allowed for greater manufacturing efficiency for Derse, whose operations were spread among several buildings in Wauwatosa, McNamara said. Derse, which manufactures high-tech trade show exhibits, has 125 employees at its valley facility.

The increasing number of manufacturers in the valley has created a "camaraderie" among the companies, who gather for monthly safety meetings and periodic networking and social events, McNamara said.

"This type of interaction I haven't seen before," he said.

The valley location also offers added benefits, such as convenient access to Miller Park for Milwaukee Brewers' baseball games, McNamara said. He enjoys fishing for salmon in a portion of the river that flows by Derse's facility.

Charter Wire is the latest manufacturer to move to the valley. The steel products manufacturer is completing a move to a 160,000-square-foot plant at 3700 W. Mil-

waukee Road, in the Menomonee Valley Industrial Center. The company, a division of Mequon-based Charter Manufacturing, moved from its longtime location in Milwaukee's 3rd Ward.

MANUFACTURING BASE

Although Miller Park and the Harley-Davidson museum, located at South Sixth and West Canal streets, anchor the valley and the renovated Potawatomi Bingo Casino draws millions of the visitors to the area each year, the bulk of the new development in the valley in recent years is tied to manufacturing. Companies moving into new buildings in the valley, in addition to Derse, include frozen pizza-maker Palermo Villa Inc., Badger Railing Inc., Taylor Dynamometer, Proven Direct Inc. and Caleffi North America Inc.

Proven Direct's plant at 1301 W. Canal St. has been buzzing with activity.

"We're firing an all cylinders. It's high sea-

SEE MENOMONEE VALLEY, A20

MENOMONEE VALLEY: City, business group trying to lure more firms

CONTINUED FROM A19

son," the company's chief executive officer Mike Erwin said.

The direct marketing and fulfillment company moved from Menomonee Falls into leased space in February 2008 on the site that formerly was the home of the Milwaukee Stockyards. The company currently has 52 full-time employees and about 20 temporary employees at the site.

"The work environment here is spectacular," Erwin said.

ADDITIONAL WORK

The location has allowed interactions with other nearby businesses that led to additional work for Proven Direct, Erwin said. The company currently is working on a project with Derse and Potawatomi is Proven Direct's largest new customer this year, he said.

"There was no brotherhood among busi-

nesses out in Menomonee Falls," Erwin said.

Although Proven Direct has been forced to lay off some full-time employees this year due to the economy and sales are expected to be relatively flat for the year, the company has seen an uptick in business over the last half of the year, Erwin said.

Like Derse, Caleffi North America also searched throughout the Milwaukee area for an existing building before opting to construct a new facility in the valley.

"Our options were limited," said Caleffi president Mark Olson. "We looked all over southeastern Wisconsin, but couldn't find anything that met our needs."

Caleffi, which manufactures hydronic heating and cooling products and automatic control valves, moved from Franklin into a new 30,000-square-foot building at 3883 W. Milwaukee Road two years ago. The company has about 20 employees.

Olson admitted that the Menomonee Valley wasn't at the top of the company's list of potential locations when the search began.

"We hadn't even thought about the valley. We had been looking in the suburbs," he said. The valley site offers convenient access to the freeway system and an available work force, Olson said.

"As a venue for our customers, we're proud of the site," he said. "It's a state-of-the-art busi-

ness location."

He, too, noted the positive interaction among businesses in the valley.

"We're all businesses of like minds," Olson said.

ALREADY EXPANDING

Palermo Villa Inc., the first company to develop a site in the 140-acre Menomonee Valley Industrial Center in 2006, recently announced plans to expand its facility at 3301 W. Canal St. The company expects to add about 65,000 square feet to its 135,000-square-foot facility, with construction slated to begin next spring.

Palermo Villa, which has about 425 employees, expects double-digit revenue growth in 2009, with sales expected to exceed \$150 million, according to company management.

Efforts to lure businesses to the valley continue, Menomonee Valley Partners' Bray said.

"We will continue to work to attract local and national expanding companies with an emphasis on light-industrial, job-intensive operations," she said.

The valley's advantages from a transportation and logistics perspective, as well as access to workers and public transportation routes, will continue to be draws for companies looking to relocate, Barrett said.

"We're actually working with businesses right now that are interested," Barrett said.

Commercial Development. Leasing. Management.

Reduce your costs without compromising quality.

Towne Investments
REAL ESTATE SPECIALISTS

Affordable office space from a partner you can trust.

(414) 274-2623 • www.towneinvestments.com