

DRAGON SPORTS PREVIEW: Cross-country, tennis, volleyball and football. P10

THINKING OUTSIDE THE BOX

While other companies specialize, Pine City's Minpack thrives by doing just about everything

BY MIKE GAINOR
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Just a few years back, it looked like Pine City was about to lose a major manufacturing plant and employer.

After it was saved by a longtime Pine City resident, the new owner had to take a hard look at the future, at what they had to do to make this reborn business succeed.

The answer was simple. It wasn't easy, but it was simple.

Do everything.

BRAND NEW

Bob Thompson, the president/CEO of Minpack, Inc., gets excited when he talks about turning ideas into objects.

"This is brand new," Thompson said. "We haven't made this yet. But this is a special spoon for



MIKE GAINOR | THE PIONEER
Minpack's Lori Buck, Bob Thompson and Sara Helseth agree that flexibility and innovation are keys to success.

your teabag. It looks like a cardboard teabag but turns into a spoon with a teabag at the end."

The one-time-use item was developed by a

company that Minpack already does business with.

"There is no plastic," Thompson explains, turning the unfolded

spoon over in his hands. "The inks are food-safe and the spoon retains its shape in hot water. It's a unique material – it was developed in Germany."

The company that invented the product is now looking for someone to produce it. Thompson hasn't quite worked out how to make this at Minpack yet, but he will. He has figured out how to make many, many different things. In a single week, Minpack manufactures scores of products – and each week they produce more.

"Altogether, I guess it's around 200 [products] this month," he said. "We make a lot of different stuff."

FROM IOWA TO PINE CITY

Thompson was drawn to making things at a

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'It's a nonstop job'

One day at city hall with Pine City Administrator Matthew Van Steenwyk

BY MIKE GAINOR
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Matthew Van Steenwyk starts each day much the same. Before he leaves at 7:30 a.m. he sits down to have breakfast and talk with his wife, Lori, and daughters Alexandria (8) and Gwendolyn (10). It's a little routine that's important to him.

"You know, at some point I'm going to die," Van Steenwyk said. "Hopefully, my kids will have positive memories of their dad ... not just dad yelling at them about cleaning their rooms."

Then he steps out of their rural home west of Grantsburg and drives the 20 minutes to his job as city administrator for Pine City. Some days he'll check on a road construction site or other public works project before making it to his city hall office. But on this particular Thursday – the last week of the month – there was a



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City Administrator Matthew Van Steenwyk has been with Pine City as treasurer since 2016, and was hired on as full-time administrator in April.

morning city council meeting and he got in early to prepare.

At this meeting, the council talked about curbs. Certain curbs in the city are painted yellow to indicate no parking. However, there are other spots where people have taken it upon themselves and painted a curb yellow so that no

one will park there. And then, city workers – assuming the curb is supposed to be that color – repaint it yellow in the spring, year after year. The council directed Van Steenwyk to fix this.

So, after the meeting, he is in his

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County looks at 2020 budget

BY SHAWN JANSEN
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The Pine County commissioners accepted a grant to fund a deputy to focus on DWI (driving while impaired) enforcement at the Aug. 20 board meeting. The \$97,582.45 Department of Public Safety grant, effective Oct. 1, covers the DWI officer's operating costs and conference fees.

Sheriff Jeff Nelson said that processing a DWI takes a lot longer now, so having an officer to focus on that will free up deputies to perform other duties.

Nelson said the grant was available to the top 20 counties in the state in DWI accidents. Pine County tied for 20th based on data from 2013-17.

Commissioner Steve Hallan of Pine City asked about the length of the grant, and Nelson said it was for one year.

"Everyone in the community can impact those numbers," said Nelson.

2020 PRELIMINARY BUDGET

Pine County Auditor-Treasurer Kelly Schroeder presented the 2020 preliminary budget to the county board. Schroeder projects \$43,672,145 in revenue in 2020, a decrease of approximately \$2.1 million from 2019, and \$44,530,054 in expenses, which is a decrease of \$1.3 million from 2019.

The revenue projection does not include property tax increases, and it reflects a drop in roads and bridges revenue, which is project driven, according to Schroeder. Otherwise, a projected increase in General Fund revenue appears that it will balance out with about a \$100,000 decrease in Health and Human Services revenue.

The preliminary budget also assumes county program aid from the state will remain the same, and health insurance rates will increase. It is the starting point for the commissioners who will be reviewing department budget requests in the coming days.

The county board committed in the recent past to try and limit the tax levy increase to 3% per year. Schroeder told the board that a 1% increase equals \$187,907, so the 3% goal is \$563,719. The 2019 tax levy totaled \$18,790,664.

Schroeder said the additional levy dollars needed for 2020 totals \$990,322, which is a 5.27% increase. County Administrator David Minke said the commissioners could add \$100,000 to that figure for contingency.

He said that means the county board will need to cut or find revenue for \$426,000 to keep the levy at a 3% increase.

Hallan asked about property taxes on new construction, and Schroeder said the projected 1.5% is not included in the calculation.

Schroeder indicated the budget has "all the wishes and hopes in it."

Minke said department heads worked hard to keep the levy increase limit in mind when developing their respective budgets.

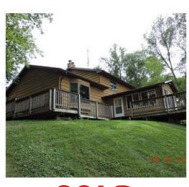
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MINPACK: With plant in danger of closing, Thompson stepped in to start Minpack

FROM PAGE 1

young age. He grew up on a farm in Iowa, and had cousins who lived near Pine City.

“When I was a little guy we used to come here for vacation in the summer,” he said. “I always liked the area.”

While working in Cedar Rapids in the 1960s he was selected for an apprentice engineering program.

“We were going to the moon and there weren’t enough engineers,” he said. “So I had an awesome chance to get an education there.”

Thompson went to Minneapolis to find new opportunities and started working for contract engineering firms. Then, while visiting Pine City, he met a young lady named Teddi.

“That cemented it,” he said. “My wife Teddi and I moved here in 1968. My kids grew up here.”

3M OPENS PLANT IN PINE CITY

Thompson was living in Pine City, but still working in Minneapolis, when 3M opened its Pine City plant in 1968. The plant specialized in one product: microfilm cards.

“It took just about everyone in Pine City,” Thompson said. “They ran seven days a week on a swing shift. About 100 employees in those days.”

During this time, Thompson was still working as a contract engineer for a number of companies, including 3M

“Finally 3M said, ‘We’d like to offer you a job, and you can’t say no,’ he said, laughing. “That was in 1971.”

‘THE PLANT WAS GOING TO GO AWAY’

Thompson continued working with 3M, commuting down to their Twin Cities offices for more than 25 years.

Then, in 1996, 3M spun off several divisions – including the Pine City plant – into a company called Imation. Thompson was assigned to manage the Pine City plant for Imation in 1998. It was an era of austerity and cutbacks.

“I lived here, so there was no cost to move me here,” Thompson explained.

In 2002, Imation assets – including the Pine City plant – were sold to DecisionONE in Philadelphia.

DecisionONE asked Thompson to stay on as manager of the operation in Pine City. But Thompson wasn’t about to take the job unless they agreed to his terms.

“I told them I would do that on one condition, and that was, if they ever wanted to divest of the assets that I wanted first right of refusal.”

Thompson knew that DecisionONE’s focus was in information technology, not manufacturing. He figured it wouldn’t be long before they either decided to unload the plant or close it down.

“My sense at the time was that the plant was going to go away if the wrong person bought it,” he said. “I was committed to keeping it in the community. So in 2005 we worked out a deal where I acquired the assets and created Minpack.”

By that time there were only 18 workers left in the plant. Lori Buck, who had started in 1982, was one of those



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Minpack’s Ruth Parsons assembles sticky notes in a container that can attach to a desk with a suction cup – just one of the hundreds of products that Minpack helps manufacture each year.

employees.

“I’ve been at the same place, but I’ve worked for four different companies,” Buck said. “Coming from 3M and then being spun off, it was just a shocker. You just didn’t have the sense of security anymore. Everybody was glad [when Thompson bought the plant] because they felt like, maybe we can make it here.”

And they have. Minpack currently employs 41 workers in Pine City – including Buck, who has moved up from assembly line worker to plant controller.

DIVERSIFYING THE BUSINESS

Minpack gave a new lease on life to the manufacturing plant, but Thompson knew that they would have to take the company in a different direction if they were going to find success.

He soon realized that they were actually going to have to go in a lot of different directions at once.

“One of the things that was more difficult than I really estimated ... was diversifying the business,” he said.

The key to connecting Minpack with those diverse clients is the request for quotes (RFQ) process. Many companies will develop a product and then look for a manufacturer. Online services exist to help those companies and manufacturers find each other. The company describes the product in the RFQ, and the manufacturer tells them if they can make it, how they can make it and at what price.

And this is where some ingenuity is required. Minpack has certain tools and facilities available. Will it be possible to stretch those tools to manufacture an unusual product?

With Thompson, the answer is usually yes.

“He loves it,” said Sara Helseth, Minpack’s human resources/marketing manager. “We’re always responding to requests for quotes out of our niche. [Thompson] looks at something new and thinks, ‘How could we do this? How can we build this?’

“That’s my strength,” Thompson said.

“I’m not very good at sales or things like that. I’m more about inventing it.”

He estimates that they get about one client for every five RFQs he responds to.

“We get a lot of inquiries that aren’t in our wheelhouse,” he said. “One of the things I try to do is be real honest about our capabilities. I never want to over-promise and underdeliver.”

PENCILS, BUBBLES AND MEDICAL GEAR

Over the years, they’ve been part of the process in manufacturing quite a variety of products. They’ve helped make a device capable of blowing room-sized bubbles. They’ve made medical gear – a drape made of film and used to cover a kidney machine in order to protect it from contamination by any fluids from the kidney. Right now, they’re developing a little pouch that can be used to detect bacteria in water that might corrode oil drilling equipment.

A few years ago three graduate students at MIT came up with an idea for a pencil they called “Sprout.” The pencil was made of sustainable cedar and had a capsule at the end with seeds and dirt in it. When the pencil becomes too short to write with, you plant it.

The students couldn’t keep up with demand. So they reached out to Minpack.

“We have made millions and millions of these pencils,” Thompson said.

The Minpack team can talk all day about the odd and interesting devices they’ve put together over the years.

“This is really ... off the wall,” Thompson said. “It’s a piece of plastic about the size of a table. It’s a sled ... to drag a large animal out of the woods after you shoot it.”

“So, we’re in the sporting goods business,” Helseth said, smiling.

Minpack still has a close relationship with 3M, converting and assembling many products for them, and serving as a kind of testing ground when 3M has new products they want to manufacture on a small scale to try out in the marketplace.

But small scale for 3M is serious

business for Minpack. One of 3M’s current products is a 3-pack of scissors for the holiday season. Minpack receives the scissors and the packaging and puts them together. All told, they will package 72,000 scissors in an eight-hour shift.

PLANNING FOR THE FUTURE

Thompson has always been considering next steps for the company as it adapts to the changing business environment.

“The packaging business constantly evolves because of sustainability,” he said. “If our philosophy is to be open and look for opportunities we could enjoy a lot more success.

“I really want to see the landfills shrink,” he added emphatically. “I feel like we are terrible contributors. We really have to be open to sustainability as a core value. And when our customers want to do something that we don’t necessarily endorse, we should have a discussion about it, and see if we can help them make that transition.”

And, he’s been mulling over another, more personal transition.

“I wasn’t thinking that I was going to be here for 20 more years,” he said. “My ideal situation would be if someone like myself would appear one day and say, ‘I would like to help you transition out.’ But I’ve got to find that person. They’re not going to just come walking through the door. I could sell [Minpack], but if I do I’m sure that it’ll be broken up and not be here in a few years. That’s what I don’t want to happen. I would feel like I was a failure if I couldn’t keep it here.

“Times are going to change,” he said. “We’re going to be a different company five years from now than we are today. We have to all accept that. We’re a different company now from when we started.”

Remembering back to where they were when Minpack started up in 2005 makes him chuckle.

“It was a big leap of faith,” Thompson said. “But it has been fun.”

COUNTY: Pine County Board of Commissioners looks into budget, road issues

FROM PAGE 1

“This is as good a position as we have ever started a budget since I’ve been here,” said Minke.

HIGHWAY 23 COALITION

The county board heard a presentation on the Highway 23 Coalition which formed 2½ years ago and is focused on

improving Highway 23 to support commerce and economic development.

“Trunk Highway 23 is the second longest state route,” said Aaron Backman, executive director of the Kandiyohi County and City of Willmar Economic Development Commission, and secretary/treasurer of the Highway 23 Coalition. Backman said an improved High-

way 23 also improves its safety.

Hallan said it seemed there were two different 23s, a scenic route to the north and a commercial corridor going south.

Backman said with Pine County’s interesting dichotomy, “You might want your voice in both.”

One of the improvement projects is a four-lane feasibility study be-

tween Foley and Milaca. Board member Holly Wilson of Mille Lacs County said, “I drive that road every single day. It would be wonderful if that was a four-lane road.”

The Coalition is looking for additional member cities and counties to join forces to bring about improvements.

TASERS APPROVED

The county board approved the purchase of two Tasers for the Department of Probation. The Public Safety Committee recommended the purchase. According to Probation Director Terry Fawcett, all training would be conducted by the Sheriff’s Department. Fawcett said via email he had proposed

the purchase based on a number of factors: the rural nature of the county, the potential delayed response by law enforcement and the potential threats posed by dangerous clients. As part of a proactive approach to safety, the department has already purchased several vests for agents, he said.