'Tremendous accomplishment'

Moorhead-based D&M Industries celebrates 40 years of operation

By Helmut Schmidt
The Forum

MOORHEAD

When D&M Industries started 40 years ago, there were seven people at the company, and Jerry Brady was one of them.

At D&M Supply, D&M Industries' predecessor, Brady had been keying locks, but that changed in 1982 when he and six others formed the new firm.

Everyone had to pitch in to keep the nascent firm going and Brady learned to wear a lot of hats.

"Back then, we had one guy in the shop and I was in the hardware area so I did the ordering, the packing and keying, and then I'd go back and help in the shop when we had to load doors and stuff," said Brady, who is now D&M's hardware manager.

Over the years, what was then a Fargo company grew, slowly, but steadily, moving to larger facilities as needed.

For a time - from 1989 to the early 2000s - it was owned by private investors.

There were 25 employees in 1993, and 51 by the time the company started to transition to an Employee Stock Ownership Plan firm in 2004.

"For the longest time, I knew everyone here, and now I just don't," said Brady, the firm's longest-tenured employee.

D&M became a 100% ESOP firm in 2006 and moved across the river to 4205 30th Ave. S., in Moorhead.

Thanks to the 2018 purchase of Capital Finishing, a door pre-finishing firm in Wisconsin, it has grown to about 175 employees. All but a handful of them working in Moorhead or the Beleville and Oregon, Wisc., facilities.

Now, D&M, which posted more than $50 million in revenue to close out the last fiscal year, plans to grow its payroll to more than 185 employees before the year is out.

Yet D&M (the name was chosen to honor its roots in the Dakotas and Minnesota) has maintained a spirit of teamwork, with several employees saying the ESOP is driving excellence.

"I think it feels really good from the employee perspective to know that you're working for the person to the left of you, the person to the right of you, not some nameless shareholder somewhere. That's very helpful," Chief Financial Officer Dan Otto said.

"I'm most proud of working with the group of people that we have and building something for the employee-owners themselves. It's not very common for a company to be around for more than 40 years," Otto said. "And being able to do that and thrive in the industry that we are in is a tremendous accomplishment."

Brady and several D&M company officials met and interviewed with a Forum reporter and photographer in early May.

D&M machines and assembles pre-hung doors, packages door hardware, and supplies windows and other services for the commercial and residential markets. Their products go into hotels, motels, apartments and multi-family housing, assisted living facilities, student housing, government and tenant improvement projects. In the Fargo-Moorhead area, they also are a supplier for residential construction.

The company's biggest concentrations of commercial contracts are in the Twin Cities, Colorado, Florida, Arizona and California but it has served clients in every state but Hawaii.

Many D&M employees have moved up in the ranks over time.

For example, one of Brady's hires was Brad Wischnak, who started at age 22 as a door machining operator. Twenty-five years later, he is the company's vice president of operations.

Wischnak's jobs included being a lead shop foreman, where he learned about production, deliveries and how to manage people. He later went into purchasing and eventually became purchasing manager.

One day, he told the then-company president that D&M needed a facilities and production manager.

"A couple weeks later, (the company president) said, 'I think you're the guy.' So, I kind of promoted myself" to operations manager, Wischnak said with a laugh.

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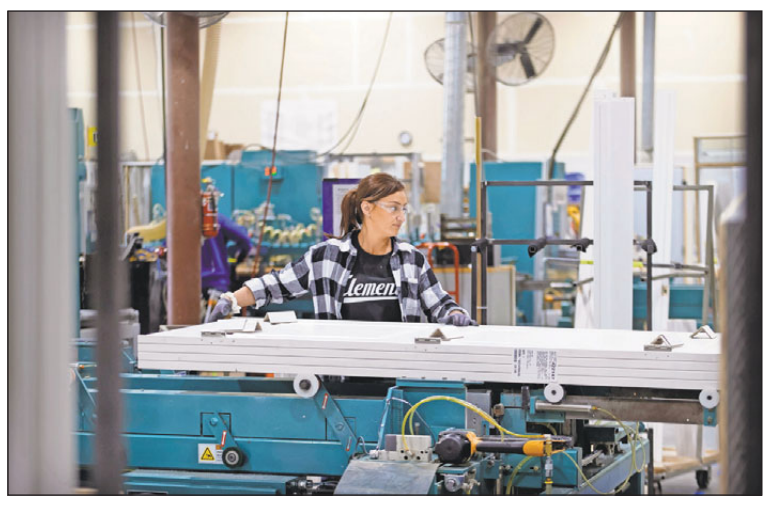
Photos by David Samson / The Forum

Robert Lincoln works on the line May 5 at D&M Industries in Moorhead.

D&M Industries, seen May 5, is located 4205 30th Ave. S. in Moorhead.



Becca Phillips works on the hanger table May 5 at D&M Industries in Moorhead.

THE BUSINESS BUZZ

'Plant paradise' planned for downtown Fargo

Fargo

Botanical Brothers, a new business specializing in pottery and houseplants, will soon open in the Loudon Building, 64 4th St. N., in downtown Fargo.

Brothers Casey and Kale McCollum own the store that will feature rare plants, cacti, succulents, houseplants, pottery, soils, plant care products and accessories.

For more information and opening date updates, visit botanicalsfargo.com or follow their @botanicalbrothersfargo Instagram and Facebook pages.

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Angie Wieck / The Forum

Brothers Casey and Kale McCollum will soon open Botanical Brothers, a store specializing in houseplants and pottery, in the Loudon building, 64 4th St. N., Fargo.

We like that old-time walk and stroll

Got little ones? Looking for a chance to stretch your legs and meet other moms with littles?

Then check out the return of the Stroller Squad at West Acres Shopping Center. The twice-monthly morning event, co-sponsored by Athleta, includes breakfast and a special activity, such as "stroller barre."

Each 90-minute session starts at 9:30 a.m. with a mall walk, with parents meeting outside of Athleta where they'll be greeted by a staff member. The group then meets at 10 am at the shopping center's Community Corner, located across from West Acres Pharmacy in the Roger Maris wing.

The first Stroller Squad will meet this Tuesday and feature free breakfast from Panera Bread (as long as supplies last) and a barre class with an instructor from Fly Fitness.

Stroller Squads are also scheduled for:

- Saturday, June 4, breakfast and stroller barre
- Tuesday, July 5, and Saturday, July 9
- Tuesday, Aug. 2 and Saturday, Aug. 6

Interested parents are encouraged to keep checking the event page on West Acres' Facebook at https://www.facebook.com/events/542419294152287/542419310818952 for updates and details.

LeaAnn Zipfel works prep production on May 5 at D&M Industries in Moorhead.

McKenzie Bakke and Jacob Rahe work production on May 5 at D&M Industries in Moorhead.

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"I just love coming to work. I feel like I've made a difference with a lot of people's lives. ... It kind of gets in your blood," to make things better, Wischnak said.

And he certainly has for a couple dozen co-workers over time.

"I bet I promoted more than 25 people," Wischnak said.

Brian Becker is in his seventh year with D&M and fifth year as its president. He previously worked at Border States Electric in Fargo and connected with D&M management as they were succession planning for retirements in management.

With 25 years of experience in ESOP companies, Becker was hired.

Becker said ESOP firms foster intense commitment among the employee-owners.

"It's not a job, it's a career; it's a career opportunity. There's plenty of opportunity for advancement" and for growing personal wealth in an ESOP firm, Becker said.

Challenges for D&M now, like other firms, are working through supply chain issues.

"The fluctuations that have occurred whether it's incoming shipping containers, issues with our suppliers, raw materials" and rising prices, "throws our supply chain in a big flux."

Finding reliable, qualified workers is a struggle, too, he said, which has D&M looking at more automation.

But there are opportunities for growth, Becker said, starting with building on relationships in the markets they serve.

Working with Tharaldson Hospitality as it built hotels throughout the country, "really built up the opportunity for us to go nationwide" and connect with other firms, Becker said.

Another large customer is the Twin Cities-based Dominium, he said.

"We follow them, wherever they're going. They do a lot of projects in the southeast and as they move into the southwest. We work with their architect and design teams, too," Becker said.

But there are also growth opportunities through acquisitions, like the addition of Capital Finishing.

"As an ESOP company, you want that continuous growth. Valuation is built on that growth and profitable growth," Becker said.

"In the future we're going to continue to look for selective additions," Becker said.

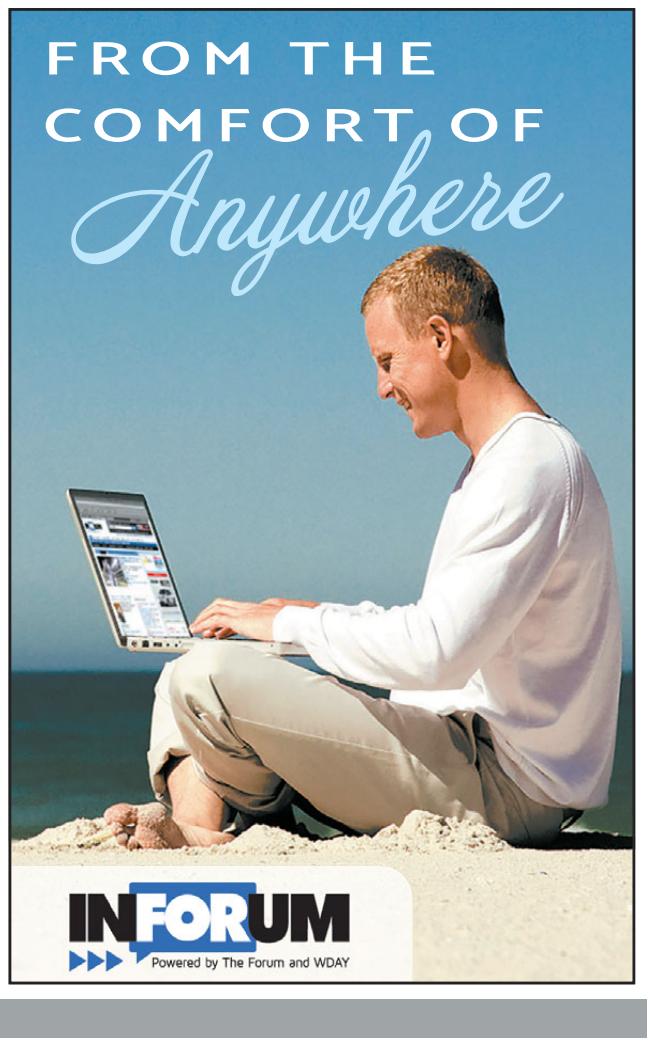
Otto said he's been asked if D&M stock is for sale.

The answer is no.

"It can't be bought. It has to be earned. It's in everybody's interest (at D&M) to continue to make sure that we continue growing and keep the company and the stock value healthy," Otto said. "I think the future here is bright. Our plans are for continued growth and continued spreading of our capabilities and what we can provide for the jobs and the job site."

Readers can reach Forum reporter Helmut Schmidt at (701) 241-5583 or by email at hschmidt@forumcomm.com.

Photos by David Samson / The Forum

Jerry Brady of D&M Industries, talked about his time with the Moorhead-based firm on May 5.

Brad Wischnak of D&M Industries talks about his 25 years with the Moorhead-based firm on May 5.