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# SPACE ODYSSEY

Finding storage costs money and Spacesaver Corp. aims to reduce that cost

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**F**ORT ATKINSON — Rifles, golf clubs, dinosaur bones and file folders containing information on everything from homicide cases to bad teeth.

For the military, golf courses, museums, court systems, dentists and a variety of other businesses, storage is an everyday concern, even in the digital age, with microchips that can hold volumes of information.

That's why the Spacesaver Corp. on Fort Atkinson's south side has more than doubled its business in the last 10 years and is poised for more growth over the next decade.

The company's core business is mobile shelving in which books and files are stored on sliding cases that allow for twice the amount of storage in the same space of traditional, stationary shelving.

But the 35-year-old company has evolved.

It recently was awarded a \$129 million military contract to provide weapons racks to the Marine Corps and has just unveiled FrameWRX (pronounced frame works), a moveable and flexible shelving system with bins designed for storing drugs in hospital pharmacies.

In the last year, the company purchased DSM Law Enforcement Products, a Canadian company that makes evidence storage lockers. In 2004, it launched a mobile shelving system for home use.

"I don't care what business you're in, space costs money," said Mark Haubenschild, vice president of sales, who joined the company



Photos by STEVE APPS — State Journal

Matt Tourdot, vice president of product development for Spacesaver Corp., shows an example of one of his company's moveable storage systems. About 450 people work at Spacesaver, 400 more than in 1982. Below, workers are shown moving newly painted parts. The Fort Atkinson company is in the midst of a five-year, \$129 million contract with the Marine Corps to produce weapons racks.

in 1982. "It's all about taking those markets and dissecting them and figuring out where their pain is, where they need help."

The health-care industry, for example, primarily used filing systems from Spacesaver. Now the company is looking at not only pharmaceutical storage but at ways to put products closer to patients. It could mean systems for storing surgical equipment in operating rooms or for supplies in a patient's room.



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Spacesaver's newest product, FrameWRX, is a drug storage system designed for hospital pharmacies. It has colored bins, pegs, shelving and moveable racks. Matt Tourdot, Spacesaver's vice president of product development, said the system was reviewed by pharmacists who provided input during the development stage.

## Space

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The Green Bay Packers use Spacesaver systems for storing video tapes and binders while UW-Madison stores Badger football and hockey gear with Spacesaver systems. Some golf courses use the systems for golf club storage.

"We really are focusing on markets," said Dennis Estenson, vice president of marketing. "Every market is rapidly changing."

Expanding markets and a focus on providing more customized products to each market have meant more work for the company's 450 employees who keep the 240,000-square-foot plant hopping 24 hours a day. A 13,000-square-foot addition, nearing completion, will add a third paint line to the production floor and is intended to be used primarily for the manufacturing of DSM products and the weapons racks for the Marines.

The Marine contract includes options which, if exercised, would bring the cumulative value of the contract to \$244 million. The contract calls for the work to be done by April 2012. Spacesaver produces up to 750 of the storage racks each week.

"We see green all the time," Dale Krasemann, a product trainer, said of the military-green storage systems. "We're running around the clock. It gives them opportunity and job security."

Government work has always been a major part of Spacesaver's business. Academic and public libraries, county and federal courthouses, the Internal Revenue Service, U.S. Postal Service and state governments have all been longtime customers.

Spacesaver also provides storage solutions for museums and archives. Clients include the American Museum of Natural History in New York City, the John F. Kennedy Library and Museum in Boston, Grand Canyon National Park Museum, the Milwaukee Art Museum and the Chicago Field Museum, where only about 2 percent of its collection is on display. The rest is in storage, Estenson said.

The company was also awarded in 1994 the contract for storage systems for the new National Archives Building in College Park, Md. Archives II



Manufacturing at Spacesaver in Fort Atkinson is a 24-hour job. This automated laser cutting tool is making a part for one of the company's storage systems.

houses what is believed to be the world's largest mobile storage system, comprising 2 million cubic feet of mobile storage capacity compacted into an area of 691,572 square feet.

Spacesaver products not only save space but reduce building costs and in the long run the buildings in which they are housed are more environmentally friendly.

"The added benefit of compact storage or shelving is the building consuming less energy over the building's lifetime," said Chris Batterman, a product manager, whose father, Theodore Batterman, started the company in 1972. "We try to control to what it is the client has to store and that can mean coming up with something unique."

The company got its start in an 8,000-square-foot barn with seven employees making carriages that sold as accessories to shelving. A short time later, the company began to market its products as an economic way to save space and conserve energy.

In 1975, the company moved to a 32,000-square-foot plant, a building that is now the company's corporate office. Ten years later, in 1985, the company broke ground on a separate manufacturing plant. A 100,000-square-foot addition was built in 1989 and, three years later, the factory produced what was then the world's largest mobile filing system for the Veterans Administration Records Center in St. Louis.

"It would simply be strategic," Olsen said. "The one thing I want to make sure of is that if you (manufacture overseas) there is no threat to the jobs in Fort."



Photos by STEVE APPS — State Journal

These weapons racks, developed and manufactured by Spacesaver Corp., are ready for deployment to the Marines. The racks can be configured to hold a variety of weapons and can be put on wheels for easy transportation.

system for the Veterans Administration Records Center in St. Louis.

In 1998, the company was purchased by Kruger International, one of the nation's leading manufacturers of commercial, institutional and business furniture.

Spacesaver's revenue has gone from \$50 million in 1997 to \$110 million in 2006. The company's president, Paul Olsen, has been with Spacesaver for the past five years, after a 30-year run with Rite-Hite Corp., a Milwaukee manufacturer of loading-dock safety systems and industrial-door solutions.

Olsen helped take Rite-Hite from about \$4 million in revenues and 250 employees to \$400 million and 1,400 employees. He expects Spacesaver to soon hit \$165 million in revenue.

"The premise of our growth is not for growth sake but for the logical extensions of our product line," Olsen said. "To me, it's a very simple formula to grow."

The formula includes an independent distribution network of 53 companies employing an estimated 2,000 people. The distributors sell, install and maintain the Spacesaver products. Another team of distributors is being readied for the international market, including Australia, Asia and the Middle East.

Olsen said his company is looking at manufacturing options overseas but said any production in that part of the world would be only for those markets and not for the North American market.

"It would simply be strategic," Olsen said. "The one thing I want to make sure of is that if you (manufacture overseas) there is no threat to the jobs in Fort."