



## A Big 'No' to the Status Quo Bremen Foundry Casts New Mold for Industry

By Matt L. Ottinger

**Company:** Bremen Castings, Inc.

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**Web site:** [www.bremencastings.com](http://www.bremencastings.com)

**Management:** JB Brown, president, and Jim Brown, CEO

**Employees:** Over 250

### Background:

Bremen Castings Inc. began humbly in 1939 and is now in its fourth generation of leadership by the Brown family. Ellis Brown, Charles Kling and Harold Heckamen started the business, then known as Bremen Gray Iron Foundry, with an initial investment of \$10,000. Ford Motor Company was among its earliest customers. The company changed its name to Bremen Castings, Inc. in 1972 and began ductile iron production in 1996. *Inc.* magazine featured the company in its list of America's 5,000 fastest growing private companies in 2012 – and more than 20% of its staff has been with the business for over a decade.

Bremen features a foundry and machine shop that fabricates recycled metal products. Its products are used in the agricultural, lawn, oil and gas sectors and the heavy truck manufacturing market. Though foundry work may be a long-established trade, Bremen remains forward thinking. Electronic displays on large TV screens track production and other developments, and each work station features an iPad outlining individual job instructions. In addition, the company has gone 90% paperless with its tracking and recording procedures.

### Breaking the mold:

When reviewing the company's approach toward its processes, it becomes apparent that Bremen Castings prides itself on not being bound by an antiquated manner of thinking.

"We can try things because we're not a publicly held company," explains president JB Brown. "We can experiment with some things and if they don't work, we throw them out and go on to the next situation. If you try something and it fails in a publicly held company, you might see somebody get fired or demoted or something. But we have a long history of having a pretty good tenure list ... we do a lot of trial and error here."

BREMEN CASTINGS, INC.



**While pouring molten iron can be dangerous, Bremen Castings puts a strong focus on safety and successfully minimizing lost time accidents.**

This approach is a basis for the company's continuous improvement program – aptly labeled StatusQuoSucks!®.

“If you want to call it ‘lean,’ that’s fine, but we don’t really like that word,” Brown clarifies. “So many companies say they’re lean, and we make it a point to visit other businesses and facilities to learn how they operate and what they do. But (instead of lean), we say our program is ‘continuous improvement.’”

He adds that the program began in 2002, but the moniker was not applied until 2007.

“It’s about everything we do – safety, how we perform our jobs – but just because you’ve been doing something a certain way, that doesn’t mean it’s right or wrong. Is there a better way?” Brown contemplates.

“We’re looking for people who don’t want to be status quo, who can think on their own and operate on their own,” he says. “I’m not talking about being rogue, but not waiting for someone to direct them and take initiative and question why we do it this way. Systems become mature. Just because it was right in 2006 ... things have changed. That’s how business evolves.”

**Environmentally speaking:**

Challenges abound for American manufacturers, and Bremen Castings is no different. With mounting regulations, the cost of doing business continues to rise.

“We all want a clean environment and we all want to do things well, but the regulations can’t all come at the same time,” Brown contends. “We always want to continuously improve the

environment, and we have a great track record and we’re always looking for new and better ways to be environmentally friendly. We do a lot of testing and there are a lot of controls on us.”

He adds that in order to keep up with the evolving regulations, the business separated its safety and environmental departments in 2010 and hired full-time staffers to lead each one.

**Workforce challenge:**

Another test facing the company is the oft-discussed workforce skills gap.

“Finding skilled workers is a challenge,” Brown offers. “We don’t need college-educated individuals. We need trades to come back to our high schools. Ivy Tech (Community College) needs to keep expanding, and it’s done a great job. We’ll hire a technical person over a degreed person any day of the week.”

While a dearth of qualified applicants is not a problem unique to Bremen Castings, a distinctive challenge the foundry does face is its location. It must compete with nearby communities with global reputations in certain industries.

“We’re in an interesting place here: We have Warsaw, the orthopedic capital of the world, just 40 minutes away, and we have Goshen/Elkhart, the housing manufacturer capital of the world, just 35 to 40 minutes away,” Brown asserts. “Unlike other companies, we have two large industries pulling our employees.”

He adds that when the RV market is down in Elkhart, Bremen Castings has plenty of technically-capable workers to choose from.



**Bremen recently invested in an on-site wellness center for its employees.**

Brown notes the company uses educational resources like Purdue’s Technical Assistance Program, Six Sigma-related training and other relevant offerings to teach employees on-site.

**Safe is sound:**

Safety is a clear priority at Bremen Castings. At the time of this interview, the company boasted a streak of 593 days and 925,000 man hours worked without a lost time accident.

“Being a family company and employing many generations in a smaller town, if a person gets hurt, everybody knows about it,” Brown conveys. “We want everybody to go home the way they came to work.”

**Costly compliance:**

Working in an industry in which safety and environmental

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## Bremen Castings

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**Bremen recently reconstructed a nearby building to house its machine shop, which JB Brown believes compares favorably to others in the industry.**

considerations are paramount, the government plays a significant role in the company's processes.

"Policy-making from federal and state governments is ever changing," Brown surmises. "That creates a lot of administrative work. One of the big things about (our continuous improvement program) is that it should lower the cost of doing business. But if while you're doing that, price increases and policies on oil (and other energies) increase faster than you can take away costs, you can only do so much.

"After you get the low-hanging fruit, prices seem to be going up faster than we can take costs out of our operations."

He argues that regulations are also cumbersome in the area of human resources.

"Ten years ago, one HR person could handle our company – now we have three or four who work on it," Brown relays. "Raised administrative costs raise the cost of our product. Our competitors in China or India really don't have those issues."

### Being well:

A national trend has emerged, leading employers to play a larger role in the day-to-day health of their employees. But few have gone as far as Bremen Castings, which purchased a home near the foundry and turned it into a no-cash wellness center in 2011.

"I see us becoming more accountable for our employees' health in the future," Brown predicts. "Because of rising medical costs and health insurance costs, it's a big deal. We've invested a big chunk of change into this.

"Our medical center isn't just to treat people if you cut your finger or something. It's a proactive look into the future to make sure you're healthy: helping a type 1 diabetic from going further or someone with high blood pressure who wouldn't

have had it checked," he offers. "I feel like it's our responsibility to educate employees because we want to be a healthy company."

### All together:

Unity is also stressed at the foundry. The executive team cooks hot lunches for the staff once a month, and the business is active in the community.

"Being in a smaller town and being family oriented, we still have many generations (of families) working out in the shop," he says.

### Perception and reality:

Brown believes that foundries are collectively too conservative when it comes to publicizing themselves, which is why Bremen enlisted the help of a public relations firm in 2011.

"The foundry industry has typically not been a very publicized or proactive industry," he states. Brown asserts that when the facts are broken down, foundries are really high-level recyclers (Bremen uses 92% recycled ferrous material).

"We take recycled material, we melt it down and make it into a brand new product," he points out. "We do iron, and we recycle steel. Other companies are looked at as recyclers in a positive way, but foundries are typically looked at as dirty, nasty, horrible and unsafe places to work. We want to be one of the leaders to help change that and say, 'We're safe; we're clean; we recycle; and we're good for the environment in the community.'

"We're trying to change the image of not just Bremen Castings, but the entire industry," he qualifies.

Brown believes some of the PR-related efforts led to Bremen being recognized by *Inc.* as a fast-growing company.

"Everybody who works here is proud of what we do," he beams. "I'd put our foundry and machine shop up against a lot of other companies. I don't say that with an ego, but I'm proud of what everybody here has done."

**Executives provide a hot lunch for staff once a month. The Cinco de Mayo-themed meal remains the favorite among Bremen's workers.**

