

UNITED PACKAGING INC.

www.unitedpackaginginc.com / HQ: Crosby, Minn. / Employees: 150 to 200 / Products: Industrial packaging / Doug Mickelson, VP and co-owner: "We're problem-solvers, and we've always protected and taken care of whatever issues [customers] have."



UPI SPECIALIZES IN THE DESIGN, TESTING, MANUFACTURING AND DISTRIBUTION OF PACKAGING PRODUCTS.

ALL-ENCOMPASSING

UNITED PACKAGING OFFERS MORE THAN CUSTOMIZED PACKAGING THROUGH ITS EXPERIENCED STAFF. **BY BRIAN SALGADO**

Doug Mickelson, vice president and co-owner of United Packaging Inc. (UPI), doesn't see his company strictly as a manufacturer of customized packaging applications for *Fortune* 500 and 1,000 clients. Instead, Mickelson says, UPI sells confidence that its customers' products will get to end-users safely and on time.

"We're problem-solvers, and we've always protected and taken care of whatever issues [customers] have," he says. "We're a key supplier to many of these customers, and our packaging is at the end of their assembly line. If we're not there, the line shuts down."

UPI was incorporated in 1997 and specializes in the design, testing, manufacture and distribution of industrial packaging products. It serves the lawn and garden, appliance, window and door, wire and cable, recreational vehicle and OEM industries. The company has facilities in Peterson and Windom, Minn., and Reedsville, Fond du Lac and Tomah, Wis., that combine for 190,000 square feet of manufacturing space and more than 150 employees.

"We exist to serve our customers and to provide a secure, friendly, clean, safe work environment for our employees, suppliers, contractors and

community," UPI says. "Our company will operate to the highest standards for business ethics and employee relations. We will be a profitable company and will reinvest the profits back into the continuous growth and improvement of our company, its employees and the community."

EXPERIENCE PAYS OFF

One of UPI's key strengths is the experience of its senior management team, according to co-owner and President Brad Smith. He and Mickelson worked for another container manufacturer – starting in the early 1980s – and helped increase annual sales there from \$4 million to \$38 million in just nine years.

When the duo set out to start UPI in 1997, several managers from their previous employer followed, which led to an experienced leader for almost every department. "The main

thing we offer is the longevity of all of us in the field that we're in," Mickelson says.

AVOIDING THE DOWNTURN

This experience has helped UPI weather the recession the United States economy is experiencing. As some of the company's clients have seen a downward trend in their own production numbers, UPI has worked to see how they can help them remain profitable until things turn around.

"For our company to survive in this period of time, we need to be very innovative and work very closely with our customers," Smith says. "We tend to brainstorm directly with customers in what we can do together."

For instance, customers often approach UPI with designs that are seven or eight years behind in terms

of modern efficiency and engineering, according to Mickelson. So, UPI can help redesign such specifications or guide clients to some of its standardized packages that will help the client and UPI save on costs.

"This saves us and the customers money," Smith says. "Instead of making 10 different sizes, it brought savings to both of us through packaging standardization."

UPDATING ITS CLIENTS

UPI starts by analyzing its customers' current packaging needs and puts together a design based on those needs. The approved design is then given to purchasing and manufacturing departments.

New products generally take one to two weeks to turn around, according to Smith.

PRICE POINTS

UPI prices its packaging assemblies based on volume and manufacturing rates per hour. For its top 10 accounts, UPI performs vendor-managed inventory by delivering finished products to clients based on forecasts.

To maintain quality levels, UPI eliminates as much of the human element from manufacturing as possible, according to Smith. He says the company's commitment to quality has earned numerous awards over the years.

"We monitor quality all the time, and we have been 100 percent with it," Smith says. "We check it in the fixtures, which starts in receiving and everything is inspected. Over the years, we've improved the manufacturing processes to reduce human error." **mt**

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