



WINNER

Penn United gives voices to customers, employees



JOE WOJCIK

Greg Angert sorts cleaned, metal-stamped components at Penn United Technologies Inc.

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In 1971, when Charles Barton, Robert Becker and Carl Jones founded Penn United Technologies Inc. in a three-stall garage on the Jones Farm in Cabot, they wanted to create a company that was a better place to work than the one they left.

Starting as a tool and die company, the business began to add services over the years to address customer needs, moving into stamping, plating and assembly, eventually becoming a vertically integrated manufacturer.

Bill Jones, president of Penn United and Carl's son, said it's the company's commitment to addressing the "pains" and needs of its customers that has led to continued growth.

Serving a number of industries, including energy, oil and gas, medical, and automotive, the company employs 580 at its Cabot facilities.

Building on the founders' idea of creating a place that was better to work than similar companies, Penn United established an

employee stock ownership plan in 1974, something Jones said gives the company a competitive advantage and establishes the tone of the workplace.

"The founders wanted the employees to have a stake in the company," he said. "When they come in every day, they are like a business owner at their machine or whatever they are running, and are empowered to make decisions to help the customer and also help ourselves each and every day."

Under the stock ownership plan, a third of all company profits are paid back to employees.

In 1992, Penn United purchased a carbide facility to cut down on its own manufacturing lead time. Once it was established, Jones said the company realized it could service other markets. Today, he said the carbide division accounts for half of all sales.

"We listen to our employees and our customers because they tell us which direction to take the company," Jones said.

Jones said a customer often will come to them with basic plans, or even just the beginning of an idea, and the Penn United team will work

with them to figure out how the product can be manufactured.

During the financial crisis of 2008, Jones said the company wanted to give employees something to work on that could take some of the focus away from the bad news, so he challenged employees to build the best 1911 pistol.

"It was really a way of getting their minds off of everything negative that was on the news, but after they built the first one, we realized we could do something really special," he said.

Partnering with Cabot Guns, today Penn United manufactures the most precise 1911 pistols in the world, Jones said, with the companies winning the National Rifle Association Pistol Championship in 2012 and 2013.

Jones said the company is always looking for opportunities to address the need of customers.

"Our growth strategy is that we are always looking for new opportunities," he said. "New opportunities to grow strategically with the operations we have today and strategically looking at where our customers have pain so that we can solve that in the future."

► CLOSER LOOK

PENN UNITED TECHNOLOGIES INC.

TOP OFFICER: Bill Jones, president

BASED: Cabot

EMPLOYEES: 580

WHAT THEY DO: Precision metal manufacturing solutions provider

DO YOU THINK PITTSBURGH IS EXPERIENCING A MANUFACTURING RENAISSANCE?

"I do believe there is a renaissance occurring," Jones said. "I'm not sure all of the reasons, but I see that there are some customers that chose to move manufacturing overseas for a variety of reasons ... and now we are seeing wages rise in these countries. We also recognize once you move product around the world, you have costs in managing it, inventories that sit on boats, and you are not near your customers anymore. ... When you need the best quality, the best performance, I still think the best place to get something manufactured is the United States."