

Group Dekko offsets economy with research, development

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GARRETT — Overall sales for the first seven months of the year at area manufacturer Group Dekko are up, according to company president and chief executive officer Jon Jensen.

And the company is launching new products to offset a general softening in several of the markets it serves.

“We’re assuming flat sales for the rest of the year,” Jensen said last week from his administrative office in Garrett.

Dekko is a parts supplier in five distinct areas of manufacturing: office furniture, transportation and industry, appliance, lighting and medical. With seven manufacturing plants — including facilities in Garrett, Avilla and North Webster— Group Dekko employs more than 1,400 workers in the United States and Mexico.

Since Group Dekko was purchased by private investors in 2006, the company has increased its capital spending every year. Jensen said 2011 spending will be the most ever. The company also has continued to spend record amounts on training and research and development.

The company’s philosophy is that overall sales may be down because of the economy, but Group Dekko still can increase its share of sales by being innovative and cost-conscious.“

We focus on what we can control,” he said. “Where are we spending our money? Should we be spending money?”

The company is introducing a pair of innovations, including one that will allow offices filled with cubicles to trim power costs by the individual cubicle using motion sensors. If only one cubicle is in use, there is no reason to power every single cubicle.

Another innovation involving electronic circuitry will allow tables in training areas to be reconfigured more easily and with fewer limitations.

“It’s an enabler for our customers to sell more,” Jensen said.

Jensen said sales are up approximately 6 percent compared to the first seven months of last year in the office furniture division. Transportation and industry also has seen growth compared to 2010 figures.

He reported sales in the appliance, lighting and medical divisions as either down or flat compared to a year ago.

The shrinking demand for materials used in appliances and in lighting signals tough times for home builders.

“Both reflect slowing residential construction,” Jensen said.

Sales in Dekko’s medical division were negatively impacted this year by the March 11 tsunami that devastated Japan.

“A couple of our customers get key components from Japan,” he said.

Jensen is confident his company’s innovations will help offset the softness in the economy.

“I’m very optimistic about the business,” he said.

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