

DAYTON BUSINESS JOURNAL

Friday, March 14, 2008

Automation integrator group has big dose of success

Dayton Business Journal - by [Karen Bells](#) DBJ Contributor

As they've worked to grow their business, the owners of **E-Technologies Group** have realized that an important component of their formula is the right dosage of pharmaceutical-industry clients.

The company, founded by Doug Fagaly and Steve Veldhuis in 1993, first ventured into the pharmaceutical industry about eight years ago handling work for **Pfizer**. These days, the industry makes up about 50 percent of its annual revenue, which is right where E-Technologies wants it, said company spokesman Tom Coyner. As revenue has grown in the pharmaceutical field, he said, the company has been careful to keep growing its other market bases, too, so its clientele remains diverse.

That hasn't been a problem for E-Technologies Group, an automation integrator that oversees automation engineering, IT and related services for industrial and manufacturing clients. The West Chester-based firm recorded 2007 revenue of \$11.5 million, a 233 percent jump from 2005 revenue of \$3.5 million. And it has \$13.5 million in work booked so far for 2008. One reason for that growth is the company's work for **Amylin Pharmaceuticals**. When the San Diego-based drugmaker began work on its West Chester manufacturing facility in 2006, E-Technologies was hired to build the startup part of the production system. Now, as Amylin works on a \$400 million expansion, the company again has been called on to help.

"This win gives us a reputation for greenfield sites, or plants from scratch," said co-Chief Executive officer Fagaly. "Not a lot of competitors can do them from scratch."

E-Technologies has been working closely with John Pratt, Amylin's top local official. And it will expand its roster of 50 employees with up to 10 new people who will be dedicated to the Amylin job, bringing the total to 20 on the project, said co-CEO Veldhuis.

In addition, because of other growth, the company plans to add 10 more employees in 2008.

The Amylin projects are a great fit for the type of work E-Technologies does best, said Veldhuis, including integrating all factory-floor information into the business-level systems. In addition, the work makes use of the company's extension of services, which it has developed over the years based on client needs. Instead of hiring other vendors, he said, Amylin can use the company as a single source for IT services, spec-ing the equipment, configuring and synching all aspects.

Working with pharmaceutical clients has helped E-Technologies refine its approach to other customers, Fagaly said. Pharmaceutical manufacturers are subjected to rigorous demands in process development, documentation and testing -- and must pass FDA validation. E-Technologies then has a competitive advantage because it can use those rigorous tools and processes in other industries without such standards.

The pharmaceutical experience also has helped it refine its use of modular or standardized codes, which can save customers money and debugging time. While every application is custom, said Veldhuis, similar components can be applied.

"For **Procter & Gamble**, we built very basic building blocks they use again and again across many facilities," he said. "They don't have to keep proving them out again and again."

As E-Technologies has grown, ongoing training and education have become critical, Coyner said. In 2006, the company won a two-year, \$29,000 Ohio Investment Training Program grant through the state Department of Development, and the owners plan to apply for another grant this year. To secure the 50 percent matching grant, they agreed to add seven new jobs; they were able to add 25.

A commitment to training, especially in an evolving industry, is a critical talent management strategy, said Diane Egbers, CEO of Cincinnati-based management consulting firm **Leadership Excelleration Inc.** In a time when employees have many choices and are very cognizant of their marketability, training builds their confidence and commitment, she said.

"People are much more happy and see a long-term career track," she said. "They're more confident, which makes the culture more positive."

In addition to creating in-house, specialized training and mentoring programs, Fagaly and Veldhuis have joined the advisory boards of the **University of Cincinnati** and **Miami University** engineering departments, and they've partnered with both on a co-op program.

But it's one particular type of training that is likely the hands-down favorite of employees. Each year, the company engages in a team-



Bruce Crippin

Owners and co-chief executive officers Steve Veldhuis, left, and Doug Fagaly plan to add up to 20 employees at E-Technologies Group in 2008 to meet demand.

[View Larger](#)

building activity, along with a big annual meeting.

The rub? Both take place in a tropical paradise. Every year since 2002, E-Technologies has paid for each employee and a guest to enjoy four days at a resort.

This year, they left Feb. 14 for the Moon Palace in Riviera Maya, Mexico. In between scuba diving and hammock-snoozing, the owners plan to make sure that all employees know the company's goals and road map for reaching them.

That might be an obvious point, said Fagaly, but it's one often overlooked in business: "In order to drive to where we wanna go, we have to tell them where we're trying to go."

Karen Bells writes for the Business Courier of Cincinnati, a sister publication. Reach her at kbells@bizjournals.com.

All contents of this site © American City Business Journals Inc. All rights reserved.