

**PE Interviews Walter Kuskowski,**  
*Founder/CEO, Wentworth Technologies*  
Plastics Engineering Magazine - September 1999  
From the Editor

Wentworth Technologies, founded by Walter Kuskowski, has grown exponentially in a relatively short period of time. The Hamilton, Ontario-based toolmaker gave roots to Wentworth with the purchase of North Ontario Mould Company in 1991. The small shop made blow molds. But the entry into tool-making didn't come about by chance. Mr. Kuskowski put in his time with General Electric of Canada for almost two decades prior to going into business for himself. His experience with GE gave him the savvy that this present-day CEO required to make a potential major player out of a small job-shop.

His company's success has served to fuel the way that he approaches business. Mr. Kuskowski takes an active part in the day-to-day operations and the administration of Wentworth: He meets with clients, he is actively involved in contract negotiations, and is available 24/7. If there is a figurehead in this company, we couldn't find one.

Walter Kuskowski has brought together a group of tooling manufacturers that have become an integral part of this global toolmaker's manufacturing amalgam. Walter Kuskowski continues to prove his worth as a leader and a businessman. We had the privilege of a one-on-one conversation with the engineer/business leader responsible for today's Wentworth Technologies.

Roger M. Ferris – Editor

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Walter Kuskowski is a builder. In 1991 he began building today's Wentworth Technologies. He has devoted his time to the company's customers and the businesses of his carefully selected acquisitions and business partners. The corporate leader has successfully built his company based on delivering the best value at the best price, on meeting his customers' needs, customer service, producing product value, and on respecting his employees.

How was this rapid-growing company founded? After working for GE Canada for almost 20 years, Mr. Kuskowski found himself out of a job and faced with making a choice: get another six-figure job as an engineer; or open his own business. The latter wasn't an option, it was a mandate. The risk was great, but so were the possibilities.

Kuskowski: I spent close to 20 years with GE Canada. And the company afforded me some excellent career-development opportunities. After having worked for others for over two decades, I had an opportunity to purchase North Ontario Mould Company, a very small job-shop with revenues of about \$2.5 million. This was the beginning of today's Wentworth Technologies; and this year's revenues will reach \$100 million.

*PE: North Ontario Mould had a turning point in its history when you purchased*

*Wentworth in 1995. How did the purchase enable you to turn a small mold shop into a major force in the plastics industry?*

Kuskowski: The original company grew significantly between 1991 and 1994. Our revenue stream had increased each year and we were a growing concern. We tripled in size within three to four years.

Before we bought Wentworth, the company had an excellent image, and the name was known across North America and Europe. The company was making blow molds for about 50 years; and this gave us instant recognition. Wentworth, however, had some financial difficulties: the company was nearly bankrupt in the early '90s. Nonetheless, Wentworth had established a solid manufacturing reputation.

So Wentworth changed its management and made some other changes that kept it from going under. When we bought the company we expanded its capabilities and began to cultivate new business under the existing name. Using the brand name as a platform for our blow-mold manufacturing operation gave us instant recognition.

## **Management**

*PE: Wentworth Technologies was selected as one of the 50 best companies in Canada. This award is given to those companies with exceptional business practices, such as management, developing motivated employees, customer service, product value, financial stability, and growth. What is it about your company's culture and management that separates it from other manufacturers?*

Kuskowski: Whether you are talking about Wentworth or another company, there is no one element that makes a company good or great. Our competition is very strong and very well managed. So from the outset, you are faced with excellence in the form of a competitor. However, you must excel in customer service. Our customers say that we are obsessed with customer service; and we are just that.

You must listen to your customers' needs and tailor your production to fit their specific needs, needs that are ever-changing. And you must be available to your customers 24 hours a day, seven days a week. As a global company we must be where our customers are. One customer called and wanted us at a meeting the next day. Where? In Taiwan. We went.

In another instance, one of our customers wanted us to have rapid prototyping, and we set up a facility adjacent to the customer's R&D center. This is the kind of customer service that we deliver. Also, I know that if I am only a five-minute walk from my customer, I will get the work. But these are components of the overall way that we conduct business at Wentworth Technologies and at our other companies.

Customer service is very important. You have to be customer service obsessed. Customer focus and customer service are instrumental in being successful in business.

Employee ownership. We have what I like to call an enlightened approach to capitalism; we share the economic benefits with our employees. If these people are sharing the economic benefits, I must explain and be forthright with the company finances. Why? Because these people are the company.

We place the key financial numbers on bulletin boards in the plants, in meeting rooms, and cafeterias. The information is always available: people know what we sold last month, orders received, sales for the month, profit before taxes, and profit sharing for the month. We are forthcoming with this.

Of course, there are different levels of ownership within the company. For example, whenever we make an acquisition or we open a new company, the senior management usually has an ownership stake in the operation.

*PE: Who are the senior management employees?*

Kuskowski: Throughout our company they total about 25 people. These are real equity ownership people; and I also have partners in the business, partners who play an active role in the growth of this company.

*PE: What about your line workers?*

Kuskowski: We have a very attractive profit sharing program for our employees. We share up to 16% of profits before taxes, which is quite a bit of money. By doing this we have created a sense of ownership for all employees.

We work diligently at developing the feeling of ownership among our employees. Talk is cheap, so rather than talk, we put up something tangible for the company's employees, profit sharing. And this is a highly motivating factor for a workforce. Customer focus and employee focus are two important elements for a company to be successful.

## **Business Lines**

*PE: Your business lines have increased in the past couple of years from blow mold to injection molds; but the company's core business is blow molds for the packaging/container and auto markets. What are your plans for broadening your business lines? Because of your involvement in PET bottle molds, it's a natural progression to continue pursuing both blow molding and injection molding.*

Kuskowski: Our business lines are broadening and our services are expanding. From mold making we have gone into mold design, which is a traditional expansion, but we are also involved in rapid prototyping, and this includes initial processing.

What do I mean by initial processing? I'm referring to running samples with prototype tools; and we'll even take it to the next level and make small production runs. We are expanding and will continue in this direction.

*PE: Do you see Wentworth getting into other technologies or services as a result of this expansion?*

Kuskowski: We are offering more full-service operations. We are very savvy in packaging - in fact, we recently acquired a company called Izon. Because of this acquisition we're making high-tech stack molds and high-speed thin-wall container molds. And we are looking at injection blow molding as well as caps and closures. Our operation is now making extrusion blow molds and stretch blow molds.

In the business of blow molds we are the number-one independent manufacturing company in North America and possibly in the world. There are equipment manufacturers who sell molds with their equipment, but they're not independent shops. How many molds do we produce? We produce 500 to 700 molds a month, globally.

Back to your question about expansion. Our model of expansion is made up of several areas: geographic expansion, service expansion, technology expansion, and product-line expansion. So to us it is the sum of these parts.

## **Product Value**

*PE: The notion of product value takes into account customer service, turnaround time, working with a customer, support once the product is in the customer's facility, troubleshooting, price, and so on. What is product value to Wentworth Technologies and in what ways do you deliver product value to your customers?*

Kuskowski: It is everything that you mentioned and more. But, in the tooling business it is fast delivery, excellent quality, and good service; and you also have to provide the best price. You must deliver the best product at the best price. Customers and prospective customers don't want to hear high quality and high price, they want the highest quality at the best price.

*PE: Providing the highest quality at the lowest price must mean that you retain customers. What can you tell us about customer retention?*

Kuskowski: Strategic partnering is an integral part of how we do business. We want customers with us for life. On occasion this is formalized in a contractual agreement; other times it's implicit. We have partnerships with about eight of the top ten blow molders in North America, which positions us as the number-one supplier for a good part of their businesses. With some of these companies we are their sole supplier.

As a partner we have an open relationship and give priority service. We will do whatever they ask of us. This is what they mean by our being customer obsessed.

The bottom line to value is the best product at the best price, this includes quality and service, and you must get the product to the customer as soon as possible. It's a complete package. This is value in the eyes of the customer. My philosophy is this: if you are the best value supplier, even if the economy slows down, you will continue to be busy.

*PE: Rapid turnaround continues to be a priority with customers. How do you meet customers' demands for quick-to-market molds?*

Kuskowski: This is my favourite subject. We use speed-to-market as one of our selling tools. Molds are only a part of product development. Speed of implementation is the other and can be a major competitive advantage. Even bearing the extra expense, getting to market earlier rather than later is worth the cost.

Customers are willing to pay to receive the product as soon as possible. The shortest elapsed time from inception to market is important. If you are faster than your competitor, you will do more business. I tell my colleagues, if we could build a mold in

one day, we would get business from almost everyone in the world. This is how important speed is in our business.

But anyone can do something fast once. The key is to do it in an organized manner and to be able to repeat it. In our rapid prototype shop we are working on going from concept to finished product in 24 hours. In this instance the product is a bottle. We can do it now in 72 hours, but the technology exists that should enable us to do it faster. We also have installed dedicated fast-to-market work cells. Our leading facilities work 24 hours a day, seven days a week.

## **Financial Stability and Growth**

*PE: Creating financial stability takes a concerted effort over a sustained period of time. In what has been a relatively short period of time, this company has created a strong financial base that's supported by exceptional rate of growth. Your company has a global presence that includes the company's country of origin - Canada - the U.S., and now a strong presence in Eastern Europe by way of the 1998 purchase of ZPNP in Poland, now Wentworth Tech Sp. z.o.o. And not long ago you were looking to purchase a facility in the United Kingdom. How do you go about planning the financial future and growth of the company?*

Kuskowski: For the second consecutive year we have been recognized as one of Canada's 50 fastest-growing companies. We know what it takes to expand. Our growth rate from '93 to '98 was 2759%: we grew from \$2.395 million to \$68.5 million. Some of this is internal growth, and much of it is by way of acquisitions. Wentworth alone has doubled in revenue growth from the time I purchased it. And this year we will hit the \$100 million mark.

*PE: How do you plan financial growth? What do you look for to further financial growth and stability? Do you look at expanding the business, other markets?*

Kuskowski: We are financially disciplined. We recognize what we need to become whom we want to be. We look at each project and have a threshold rate-of-return that has to be met in order for a prospective project to qualify. This is a standard approach for a good company. This is one of the lessons that I learned from GE; and it's simply good financial discipline.

We are a frugal company. If you want to be the low-cost supplier, you have to be the low cost manufacturer. You must watch your costs. We invest only in productive assets. Our offices are humble, we have no unnecessary overhead, no fancy perks; if someone wants a fancy car, he or she has to buy their own. Basically, we put everything back into the business: better equipment, better technology, acquisition, and these kinds of investments in production.

## **Global**

*PE: Wentworth specializes in building molds for pails and lids, fuel take systems for auto, PET bottles, and containers ranging in size from thermos jugs to 50-gallon drums. Where do you see the company breaking ground for additional global facilities beyond North America and Eastern Europe? Do you have plans for setting up a facility in Asia? And is South America a part of your future markets?*

Kuskowski: We are successful because we concentrate globally on niche markets. Why globally? If the economy in one part of the world is on the decline, in another part of the world the economy is on the rise. We now export to 65 countries, exporting 90% of our production. In fact, we received the global export award for Ontario.

As a result of a request from our customers we will have a presence in the United Kingdom by the third quarter of this year. We also have a shop in Singapore and we are looking at Mexico and South America for future operations.

We have the mold shop in Poland, which we are slowly converting to the new technology and improving the shop. And with the upcoming U.K. facility we will be better able to service more of Europe.

And with this geographic expansion comes the other factors: service expansion, technology expansion, and product-line expansion.

*PE: What is your formula for becoming a good leader and a good business partner?*

Kuskowski: So you want me to divulge my secrets. This is something that you learn by working with the right people. I was fortunate to work with good managers and good bosses along the way. I was fortunate to have worked to a good company, GE. I have a degree in mechanical engineering and an MBA, but my work experience with GE and the MBA I obtained from GE are much more useful to me than the first MBA I earned. GE invested a lot of time and money in training and I benefited from it.

I have to give credit to GE, not that they need it from me, and my role model at GE, Jack Welch - I saw greatness in Jack before he became the business hero that he is today.

There is an excellent book that everyone should read: Control Your Destiny, or Someone Else Will, by Noel Tichy and Stratfor Sherman [both former GE employees]. This book presents an impressive model for doing business. I've bought copies for my family and my employees and recommend it to anyone interested in controlling his or her destiny.

But success takes more than one component. There is no shortcut, it takes a lot of hard work. You must have confidence and self courage; and you must take care of your professional and personal responsibilities.

A leader cannot be greedy. This is why we share with partners. I own 2/3 of the company, but 1/3 is owned by friends, associates, and co-workers. By sharing you can always make the point that you are farther ahead than if you owned 100% of the business. So the benefit in sharing far outweighs the notion of loss. Much of what we do would not have taken place were it not for this attitude.

Open management, no boundaries, and then you do by example. You must lead by example. I would never ask anyone to do something that I would not do myself. Leading by example is paramount to being a good leader and a good business person. Face reality, as Jack Welch says, look at yourself. You must be objective about yourself as a leader and face reality. Perhaps you are the problem. And if you are, do something about it.

Excellence and sense of urgency are also important components of this equation. We have successfully integrated ideas from a much larger company into operating this small company, combined with a talented and diversified team of people. We look at some of the industry's best companies, such as GE and Husky, and we learn from them.

I can say that a successful leader must be forthright in his or her dealings with customers and colleagues.