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Skarda Equipment uses tech investments for growth

by Richard D. Brown

Omaha-based Skarda Equipment, an industrial automation equipment business, and its sister company Controlled Motion Dynamics, a control systems integration provider, are finding that a hefty investment

Skarda Equipment/ Controlled Motion Dynamics

Phone: 402-422-0430

Address: 2563 Farnam St.; 345 S. 26th St., Omaha 68131

Services: wholesale automation distributor

Founded: 1969 by John Edward Skarda and wife Darlene

Employees: 43

One-year goal: Emphasize value-added services to augment electronic investment made.

Industry outlook: Segments such as oil and gas and overall ag market remain soft.

Website: www.skarda.com and www.cmdimotion.com

in technology — even at a time when some segments of the market remain soft — can poise the 47-year-old companies for growth despite revenues industrywide being off an average of 6 percent.

President John D. Skarda said his family's business ventures this year are expecting to hit \$18.9 million in revenues. The two companies serve about 2,000 active customers in Nebraska, Iowa, Kansas, western Missouri and southeast South Dakota.

Skarda has invested about \$350,000 in a new computer system and most recently, a new e-commerce website that lists several hundred thousand parts and a description of each.

"We're striving for greater efficiency and want to make the site as easy as possible for each of our customers to use," Skarda said.

Skarda, the second generation of his family to head the firm, and Vice President of Sales Lynn Nordquist, said the website investment enables Skarda to more effectively compete on a more level playing field because customers such as younger engineers prefer to go to the websites of possible



Vice President of Sales Lynn Nordquist, left, and President John D. Skarda showing custom hydraulic manifold assemblies ... Expansion for the company focused on computer system and e-commerce investments.

vendors and more often during evenings, Saturday and Sundays, to do business.

Teresa Wheeler, a former Yahoo employee, has been hired for a new position as Skarda's e-commerce website and house accounts manager.

"In the past I had the best service, price and delivery time available but I didn't get the sale because we didn't have the expected online resources to do the transaction," Nordquist said. "Now our salespeople can address specific questions and make quotes online and the customer can log onto the site to place the order."

Both the younger Skarda — who started doing computer work for his father while still in high school — and Nordquist, who is in his 28th year with the company, said the firm has historically been dependent on solution-selling for its growth. Long-time customers such as Valmont and Reinke, among others, depend on firms such as Skarda to effectively manage just-in-time inventories.

"There's a lot of forward thinking and

planning involved," Skarda said.

For example, a customer may call and ask that 1,200 solenoid valves be delivered

Photos by MBJ / Noel Hoig

later that day.

Skarda has about \$1.7 million in inventory available at its headquarters at 2563 Farnam St. and another \$400,000 investment in super-stock inventory specific to the needs of a particular customer. The latter is monitored each week for the client under customer agreement on a yearly basis.

said Skarda deserves much of the credit for helping develop crucial software.

"For example, there's an automatic report to a customer each week with an update on how many parts we have for them and that gives us an important starting point," Nordquist said.

He said because Skarda is family-owned and has assembled a high level of expertise in-house, the company often doesn't have to call in a specialized engineering firm as a consultant when customers report problems.

"This is a distinct advantage we have," Nordquist said.

Examples cited included an Omaha employee being sent to Russia twice for a week's training to study the latest in waste-water centrifuge systems being used in food plants all over the world. Such information is important to Skarda serving one of its largest customers — Ankeny, Iowa-based Clapper Corp.

Skarda was also called in to consult on a project for Steelmotion, a Waverly, Iowa, manufacturer planning to build an above-ground tank production facility in southern Texas.

"We're pioneers and not scared of anything," Nordquist said.

However, the basics of workplace safety are also covered via a safety gurney demonstration at trade shows and at Skarda-sponsored lunch & learn sessions such as the one territory manager Chuck Kann did at Distefano Technology & Manufacturing.

Skarda said his firm regularly works with customers that seek to gain expertise in making sure their use of machines meet or exceed OSHA regulations.

Last year Skarda Equipment was named by Minneapolis-based Tolomatic as its distributor of the year.



Eldon Hansen works on a Hydraulic Power Unit.

Territory managers also supervise consignment inventory agreements with clients by making monthly visits to plants and assessing their needs.

"It's a tool that enables customers to manage their own warehouses," Skarda said.

Nordquist, who earned an associate degree in fluid power from Southwest Technical College in Granite Falls, Minn.,

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Josh Antonides programming a Programmable Logic Controller.