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An upbeat leader manufactures growth

CEO Kenton Fiske directs SenDEC with an optimistic approach and a focus on customer service

By JASON CONKLIN

SenDEC Corp. president and CEO Kenton Fiske did not set out to start a contract manufacturing business. He was just being neighborly.

It started when a neighbor asked him to take a look at a home security system that was not working properly. Reluctantly, Fiske, then a design engineer at Xerox Corp., agreed to help tinker with the system and get it working.

Once the system was up and running, the neighbor told friends about Fiske's improvements to the system and even recommended him to an architect. The architect subsequently hired Fiske to design customized systems for new homes.

Fiske and his partner quit their day jobs and founded SenDEC in 1978. They planned to design and build security systems, not act as a contract manufacturer for a host of other companies, Fiske said. The company now employs 78 staffers.

"To make ends meet, we'd do contract manufacturing. That was paying the bills for a while," Fiske says.

The company's founders continued to hone their security designs, winning a contract for a system at the Al Sigl Center for Rehabilitation Agencies Inc. that had more than 550 sensors linked to a light-up map displaying where a disturbance had been detected.

"That was a huge job," Fiske says. "It took us a year to install it."

Meanwhile, the founders continued to pour capital into the security system business from its contract-manufacturing arm.

"We weren't doing anything (to promote sales) on the contract manufacturing thing, and it was paying the bills," Fiske says.

In 1982, Joseph Holroyd, Fiske's founding partner, bought out the security systems end of the business and Fiske turned his full attention to contract manufacturing.

"I'd love to say I planned this," Fiske says.

Now SenDEC concentrates mainly on assembling and testing circuit boards for customers around the world.

"We do a lot of work for other companies," Fiske says.



Courtesy of SenDEC Corp.

ETERNAL OPTIMIST—After a career as an engineer at Xerox Corp., Kenton Fiske founded SenDEC Corp. He has led the company to double-digit growth and it now employs 78 staffers.

Its list of customers includes original equipment manufacturers who produce copiers, computer peripherals, MRI and other medical equipment, and photographic electronics.

Along with printing and testing circuit boards, SenDEC provides prototyping services for manufacturers looking for better and more efficient ways to design their equipment. Working closely with customers' design teams, SenDEC completes and ships back prototype assignments in three to seven days.

"In the beginning, we did about 80 per-

cent of our business with one customer," Fiske says.

He declined to identify the customers.

Although convenient, the arrangement left his company vulnerable to swings in the marketplace.

"All businesses have a cycle," he says.

By having an array of customers, a downturn in one industry does not mean a corresponding disaster for his firm, Fiske explains.

"That's not easy to do," he says. "It's easier to get more business from one customer you're working with."

The move toward a more global economy, with large corporations looking for ways to make their operations as efficient as possible, has been a key component of SenDEC's success.

"Today companies are outsourcing, and that's what's helped our business," Fiske says. "It's easier (for them) to focus on their marketing and sales abilities."

He sees the company filling a niche for OEM orders of \$1 million to \$10 million.

Perhaps owing to his own background, part of Fiske's strategy for differentiating his company has involved making engineering services available to customers.

"A lot of subcontractors will build a product as long as the (blue)prints are there," he explains. "We will get involved."

"There's always more than one way to build a product," Fiske adds. "Sometimes you can be very successful looking at the opposite way."

Frank Mentasana, president and CEO of Rochester-based Solutions Plus Systems Inc., says those extra services and abilities differentiate SenDEC from its competitors.

"Ken is not the most cost-effective, but he has the customer in mind," he says. "What he gives you is full customer service and a highly skilled staff. You know he's honest with you."

"We're actually competitors, but we work together," Mentasana says. "Ken's

Close-up

Kenton Fiske

Title: President and CEO, SenDEC Corp.

Age: 59

Home: Macedon

Education: B.S., electrical engineering, University of Illinois, 1966

Family: Wife, Barbara; son, Michael, 33; daughter, Dawn, 27

Interests: Golf, travel, fishing

Quote: On founding a contract manufacturing company: "I'd love to say I planned this."



Photo courtesy of SenDEC Corp.

Kenton Fiske: "Today companies are outsourcing, and that's what's helped our business. It's easier (for them) to focus on their marketing and sales abilities."

that kind of guy. He's looking to be partners with everybody."

The two companies are working on a project for Lucid Inc. to produce components for a ballot-reading device. SenDEC builds the circuit boards; Solutions Plus assembles them into finished systems.

"He really didn't need to partner with us," Mentasana says. "He's sharing."

Along with assembling circuit boards for other companies, SenDEC is working to build a product line of its own—one Fiske did not initially believe would be successful.

He recalls that when he was first presented with the product he was skeptical of its potential.

"I didn't have the confidence in the product," he says. "I had confidence in the individual."

That individual was Herb Ley, the owner of a lawnmower dealership and repair shop in Lansing, Oswego County. Ley re-

alized his business made more money on service than sales, but he needed a way to remind owners to bring in their machines for an oil change or a tuneup. A digital hour meter would be the perfect solution.

After seeing demand for the product at a lawn equipment trade show, Fiske agreed to buy the product line and begin producing the meters. The devices can attach to nearly any combustion engine and be programmed to alert operators when it is time for services such as oil changes, muffler replacements and lubrication.

As the line of meter products grew, the business moved out of Ley's basement and into SenDEC's 23,000-square-foot headquarters in Perinton. It moved again earlier this year to a 5,000-square-foot facility in Macedon, Wayne County.

"(At first) it was great if you could get an order for 500 a year," Ley says. "One customer now wants 200,000 a year."

The meter segment makes up approxi-

mately 6 percent of the company's revenues. With expected orders from an OEM customer, it may grow to 10 percent of the total.

Fiske says SenDEC experienced 34 percent growth last year. The company posted revenues of more than \$9 million.

The company expects revenues to increase by 30 percent this year and some 30 percent next year.

Fiske projects employment to grow to more than 100 staffers over the next two years, as the company continues to expand its range of customers.

Away from the company, Fiske, 59, enjoys the outdoors.

He claims to be "the world's worst golfer," whose favorite course is whatever one he is on, but he plays regularly at Blue Heron Hills Country Club in Macedon.

"It's very, very pretty and just very relaxing," he says.

Fiske also is an enthusiastic fisherman.

A 42-inch pike hangs on the wall of his office—a reminder of his angling success on a trip to Canada with his son, Michael.

Travel itself may be Fiske's most beloved recreation. His journeys with his wife, Barbara, have taken him around the globe, from China and Japan to Africa and the Mediterranean.

Fiske, who grew up in rural Lockport, Ill.—before graduating from the University of Illinois in 1966 and coming to work at Xerox—says he was struck by the beauty of the African countryside and by the poverty of its inhabitants.

"We are so lucky to have been born here," he says.

He has been able to witness the growing sophistication of rural China, through both

visits and contact with business colleagues overseas.

"Because of the business, we've met people from all over the world," he says. "We've made some good friendships."

His next trip, scheduled for the fall, is to the Scandinavian countries and St. Petersburg, Russia.

Back in the Rochester area, Fiske is helping to shape younger generations of business leaders.

In July he plans to open the doors of his facility to local teachers. The idea is to give them a look at the business so they might be able to show students why math and English are important skills in the real world.

Other business leaders already credit Fiske with nurturing their development.

"In a lot of ways he's a father figure to me," says Ley, explaining that Fiske's perpetually positive outlook has been one of the SenDEC leader's greatest attributes in and out of the boardroom.

"The guy is positive on the gloomiest, rainiest day. He can always see the silver lining," he says.

"I would consider him a mentor," says Solutions Plus' Mentasana. "He's been very open and taught me a lot of things."

The chief lesson has been to make time for family and interests away from the business, he says.

"He reminds me that there (are) other things than working 16 hours a day," Mentasana says.

"Life's too short," Fiske says. "You really need to enjoy it."