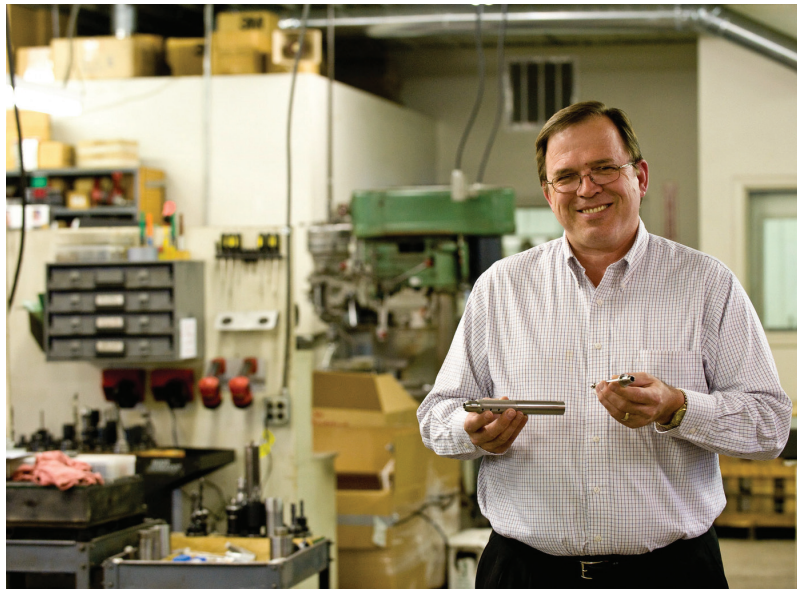


Case study: L'Anse Manufacturing

Based in Michigan's Upper Peninsula, L'Anse Manufacturing Inc. provides precision machining to the investment casting and specialty products industries. Since buying the company with business partner Wallace Sweeney in 2007, CEO Mark Massicotte has grown annual revenue from \$750,000 to \$2 million in 2016. With a goal of expanding current markets and identifying growth opportunities, in November 2016 Massicotte entered his company into Michigan's Economic Gardening program, which enabled him to work with the National Strategic Research Team (NSRT).

“We work in a lot of materials that other people don't like to, such as stainless steels, titanium and aluminum alloys,” said Massicotte. “Another thing that sets us apart, we specialize in low-volume, high-quality production rather than chasing for price. The more complexity needed of the machining and the tighter tolerances required, the more attractive we are.”



CEO Mark Massicotte on the shop floor of L'Anse Manufacturing in L'Anse, Michigan

To identify potential new prospects for L'Anse Manufacturing, the NSRT first took a broad look at industry segments that were high-end users of investment casting or precision machining services. Then, they took a deeper dive into two industries identified as promising: aerospace and medical devices.

“A lot of people don't realize how many Michigan foundries are doing aerospace work because they operate at the lower tiers rather than being large OEMs or system suppliers,” said Shelly Stobierski, an NSRT member who specializes in market research. Stobierski was able to access sophisticated databases and identify four aerospace categories that would most likely need L'Anse's services: landing gear, gear boxes, engine components and electronic enclosures. Then Amjad Syed, an NSRT member and geographic information system specialist, dovetailed on Stobierski's research and developed a list of prospective customers, including contact info and titles, as well as creating heat maps for the locations of the top 194 prospects.

Finding potential customers within the medical device industry required a different approach due to available data — and the fact that companies serving this market identify with end products rather than individual components, Stobierski explained. With that in mind, she created a list of trade associations, publications and online forums that can provide L'Anse with networking opportunities.

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To further assist L'Anse with its strategic growth goals, the research team also analyzed its website and identified potential competitors.

“The competitive analysis is often done with multiple specialists from different perspectives,” said Matt O'Connor, an NSRT member who led the Economic Gardening engagement. “The researchers study who the competition is, where they're located, what kind of technologies they use, and their social media platforms,” he explained. “This gives a much clearer picture of the competitive landscape, which can be murky for companies like L'Anse, due to its isolated geographic location and capital-intensive work. In addition, the competitive analysis is also a way to identify new industries L'Anse might be able to compete in.”

Massicotte gives the Economic Gardening a hearty thumbs-up and says the engagement sparked a major redirection in his strategic growth plan. “The data identified an additional market space that combines our investment cast machining with our aerospace capabilities,” Massicotte explained. “We always knew there was some form of market — but not the depth and breadth of what we see now. It opened up an awareness of investment casting foundries that specialize only on aerospace. This is a real find and offers a new value stream for new business.”

In addition to the treasure trove of data, working with the NSRT was a pleasant surprise, said Massicotte. “Consultants will typically tell you what's wrong with your company, and you get all of the assignments. Instead, we discussed our issues and priorities with the NSRT. Then they went off, did the assignments, and came back with the information. That was very refreshing.”

The engagement also has helped his management team, Massicotte added. “None of us are marketing experts, and we all wear six hats at a time,” he explained. “Working with the researchers enabled my managers to hone some new skills, which built confidence. The researchers communicated in plain English, yet it wasn't a talk down. It was more of a mentoring experience. They were teaching us how to fish.”

As a result of Economic Gardening, Massicotte believes he can quadruple annual revenue by 2020, and expects to create five new jobs each year. “That's something I wasn't confident of before our Economic Gardening engagement,” he said.

“This will be a different place in two or three years,” Massicotte added. “We're going to focus on bringing in work that is far more profitable and productive than we would have before.”



The National Center for Economic Gardening is a partnership between the Edward Lowe Foundation and Chris Gibbons. NCEG helps state and regional organizations establish Economic Gardening networks, delivers Economic Gardening services and maintains national standards in training and certification. To learn more, visit www.edwardlowe.org.