

## “Small Town, Big Business”

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The smells of wood and charcoal briquettes are the first to greet you, after the hiss of the automatic door. Old country music adds to the ambience of the store. Orscheln Farm and Home is an outdoorsman’s playground, a collage of Wranglers, riding lawnmowers, canoes, workboots, pet birds and bagged candy.

In Moberly, there are always the regulars who stop by. Joe Kroner comes in occasionally to pick up farm supplies when he needs them. A 40-year veteran of the land, Joe comes in to browse for everything but clothes ... they’re too small for his extra-large frame. He visits with a few employees, but times have changed, and he doesn’t recognize as many as he used to.

Long-time customers like Joe understand just how much Orscheln Industries has grown over the years. In addition to having ninety stores across Missouri, Nebraska, Iowa, Arkansas, Kansas, Oklahoma, Texas and Kentucky, Orscheln is a key automotive manufacturer for companies such as Ford, General Motors and Chrysler. About 3,000 employees work in Orscheln Industries, and there are additional locations in Canada, Australia and Europe.

Orscheln Industries is one of the largest privately owned companies in the Midwest. It’s a huge conglomerate that has branches worldwide. But it’s also a family-owned business that has roots firmly planted in Moberly. It all started with two brothers who struck out on their own in the 1920s. Two Orscheln sons, Bill and Ed, wanted to branch out to look for a farm. Little did they know that they would become the founding fathers of a multi-million dollar business.

### Beginnings of a business

Bill and Ed were the oldest sons in a family of five brothers living in Tipton. Entrepreneurs at early ages, the two brothers started their own dance-floor business as teenagers.

“They constructed some moveable dance floors that connected,” says Bill’s son Don. Now 74, Don sits at his office desk in a small, subdued building in downtown Moberly. His voice is easy going, and his eyes look into the distance while he remembers a story about his dad that he’s obviously heard time and again. “And they’d stack these all on a wagon, and they’d move them from farm to farm. They’d get a square-dance caller and so forth, and the rent of those was how they made their money.”

Don’s white hair and crinkled skin around the eyes are the only indications that he’s old enough to be a grandfather of 39. Tanned, trim and relaxed in a blue-green polo shirt, he sits back in his chair, his elbows resting comfortably on the arms, his fingers together in story-telling position.

“They strike out to come to north Missouri and look for a place to buy.” The brothers bought two acres in Sturgeon, married their girlfriends from back home and brought them to Sturgeon to raise their families. However, seven years later, dry weather forced them to look for additional cash to pay the mortgage on the farm. The bank loaned them money, but they wanted to earn more to be a good credit risk. So they resurrected their old dance floor business to earn some money. Instead of a moveable floor, they constructed one in their front yard. The brothers held summer dances every Wednesday and Saturday night.

But the main business venture started when some patrons didn’t have transportation to the dances. They suggested that Bill should buy a bus to pick them up. So Bill bought a little Ford truck and put benches on the sides of it so he could bring people to the dances.

Not many people used the bus service though. Then one day, Bill made a trip to a grocery store in Renick. “It was a real one-room grocery store, stacked to the gills, pot-bellied stove, etc., etc.,” says Bill’s son Don. “And he [the owner] says ‘Hey, Bill, the next time you come from Moberly, bring me a case of bread from Klein’s Bakery.’ And Dad says, ‘Sure.’”

That started the truck line, Orscheln Industries’ first major business. The brothers began hauling packaged goods along the same route as the bus service, from Sturgeon to Moberly. Bill moved his family to Moberly to be closer to the companies that needed hauling.

#### An invention

Don walks into the hallway adjacent to the office and brings out a black, slightly dusty old metal bar. But it’s not just any bar. This invention helped spark Orscheln’s nationwide success. According to regional legend, Al Orscheln, one of Bill and Ed’s younger brothers, lost one of the company’s trucks when the brakes failed on a steep street. Al’s cargo plummeted downhill into the Missouri River. Unhurt, but determined to fix the problem, Al invented an adjustable parking-brake lever.

Those first levers were installed on all of Orscheln’s company trucks. Then Al applied for a patent, which he received in 1938. The Orscheln Brake Lever Manufacturing Company was established less than a decade later. “Our goal was to have every auto manufacturer have Orscheln products,” says Don.

Today, Orscheln’s clients include Ford, Chrysler, International Harvester and General Motors. But back in 1946, selling a brake-lever took door-to-door work, and members of the family were expected to help.

#### Family expectations

When Orscheln Industries first started up, many members of the family worked there. Bill Orscheln became the president of the Orscheln Brake Lever Manufacturing Company in 1946. His brothers and their children were involved in the business as well.

“It wouldn’t happen like this today, I don’t think, but back then, people had more respect for their parents,” Don says. That’s just the way things were. When Don went to Northwestern University, he asked his dad, Bill, what he should major in. His father replied -- “Well, we own a truck line!” That was the only response needed. After receiving a bachelor’s degree in Business Administration, Don went to work in the truck line and later the brake-lever company.

In 1967, Don became president of the brake-lever side of Orscheln. Don convinced his brother Jerry to leave the trucking line to become president of the farm stores. “I talked Jerry into doing that because I felt he was going no place. We could tell that the truck line didn’t have much future.” In the 1970s, the truck line folded, but the automotive manufacturing and retail divisions continued to grow.

With this growth, both Jerry and Don wanted to make some changes regarding how family members could enter the business. “I didn’t like nepotism,” says Don. “I didn’t like what it meant, that you couldn’t do anything to your cousin, if they weren’t right.” Don and Jerry knew that employees would not want to work for the company if Orscheln children were in line to take their jobs. They needed rules for family involvement so the company would continue to grow.

They decided to draw up a contract outlining what it took for a family member to become part of the company. Orscheln children were no longer expected to work at the company. In fact, family members were less likely than others to be hired. Orscheln was still a family-owned business, but to work there you had to bring something new.

Don’s son Barry was born in 1950, a member of the next generation to carry on the family name. He was the first among Don’s 14 children who faced the new company standards regarding family.

When Barry was a child, Orscheln Industries was already a daily part of his life. The Orscheln house was full of appliances from the truck line. Food was always in supply, sometimes in massive quantities. Once, an order of frozen lobster wasn’t accepted, and the family ate frozen lobster for years. A truck load of chocolate stars was rejected and brought home for the children. Barry and his siblings got so sick of eating chocolate that they decided to go out to the lake and feed the fish -- thousands and thousands of chocolate stars.

Barry grew up watching his father and grandfather run the business. But when he started college, his choices were less clear than his father’s. He would need to get experience outside Orscheln Industries before he could be hired. So he started an insurance agency. Then he started a leasing business. He found his niche outside the company, brought it to Orscheln and was later hired as Chief Financial Officer. In 1990, he became president of the company.

Today, on the other side of Moberly, Barry Orscheln sits in his office, in an old physician's house, set slightly back from the morning commuters on Route 63. People who don't know him sometimes marvel at his resemblance to Harrison Ford and ask to get his picture taken with them. But for those who do know him, he's a younger version of his father with his easy-going, small-town manners along with a businessman's direct eye contact. He's also the current president of the company he grew up with. "You know, you always want to be like your daddy, and I wanted to be like my daddy," he says, his even, articulate voice dropping to a softer, reverent tone.

### Big Business ...

The headquarters for Orscheln Industries is a two-story yellowish brick house where inside, office desks seem to spiral around the staircase to the second floor. Memories of earlier times follow you up the stairs. In particular, one black-and-white framed image captures a moment of the dance-floor days.

The house itself is like a picture of Orscheln Industries before it became the \$250 million business it is today. The Orscheln Farm and Home Store has grown from 10 stores in the mid-1960s to 90 stores today. During the busiest times of the year, as many as 400 people a day visit the larger-volume stores in the chain.

The farm store is just one division. Orscheln Industries also consists of corporate services, manufacturing operations and property management/development. (See sidebar.) On the manufacturing side, in 1983 Barry's brother Bob began Orbseal, a division of Orscheln Industries, which is now one of the largest suppliers of sealants and adhesives to the automotive industry. Orbseal began operations in Australia and Europe just a few years ago. The automotive parking-brake division of Orscheln merged with Dura Consolidate in 1994 to form a new company, Dura Automotive Systems. This new company dominates the North American market in the supply of parking brakes.

Orscheln also invests approximately \$4 million per year on raw research and development. It owns Elisha Technologies, which develops products that eliminate or reduce corrosion. Clients include the U.S. Navy, Emerson Electric and Dupont. They also own DeNovus, which develops sealants for everything that's not automotive, such as the clear putty that you can buy at Wal-Mart to hang up posters.

And the corporate headquarters for this huge conglomerate is found in a 12,000 population town where the Orschelns are one of many families that attend the St. Pius X Catholic Church.

### ... Small Town

A cross hangs prominently on the far wall of Don Orscheln's office. As deacon for St. Pius X Catholic Church, he has a workload even in retirement. "The last few months I've been concentrating on getting St. Pius enough parking lots," he says.

To those who know the Orschelns, they are the neighbors and friends that you find in any small town. "They are plain, down-to-earth people," says Mary Lee Noel. A friend of the family since 1970, she knows the Orschelns through church and from her late husband, who was Barry's children's doctor. She admits that she knows little about the business: "It's more of a man's store. My husband would buy hunting clothes there, but I may just buy plants occasionally." But even though she herself rarely shops there, she is bubbling over with enthusiasm for their company. "Their businesses have just made Moberly. I can't express how much they've done for this town and the economic impact."

Orscheln supplies more than 800 jobs in Moberly alone, an enormous change from the 1950s when it employed only 35 people. Bill Riffel grew up with Don and his brother Jerry, so he's seen the company grow from dance floors to stores. "I don't think people perceive how big it is," he says. "They really don't play to that kind of audience." Bill was also a neighbor of Barry's for several years and occasionally would take walks with Don. "It's just small-town stuff. No big deal."

Back at the store

At Moberly's Orscheln Farm and Home, the automatic door opens and yet another customer enters. He's looking for tools he'll use to finish up the shelves he's been working on in his workshop at home, a favorite hobby of his. The smells of wood and charcoal briquettes meet him at the door. He comes here often, a regular customer who's in the store at least once a week.

The store manager runs into him in one of the aisles and chats with him for a while. Clad in jeans and a t-shirt, the customer just happens to be Barry Orscheln, the president of Orscheln Industries and the grandson of one of the founding fathers of the company. Small talk occasionally turns to business. Barry then becomes a regular customer once again and makes his way to the checkout counter. The cashier rings up his purchase and places it in a bag. He doesn't suspect that Barry is the one in charge of not only the store but a huge conglomerate. Today, he's just another customer, and this is small-town stuff. The automatic door hisses open as Barry walks out to his van.