



## December 3, 2013 Mark Adamson of Douglas Dynamics

**By:** Managing Snow Ice

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**Description:** Host, John Allin welcomes Mark Adamson of Douglas Dynamics to the broadcast. Mark is convinced that there is no business like snow business. After living in the south for half of his career he found a great reason to move back north...snow. Mark had been involved in the "green" industry for over two decades with John Deere Company before dedicating himself to the "white" industry. Mark obtained his MBA from Duke University with an emphasis in marketing. For the last 8 years he has been the Vice President of Sales and Marketing of Douglas Dynamics, leaders in snow and ice control and manufacturers of Western, Fisher, Blizzard, and SnowEx brands.

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### John Allin

Welcome back everyone to Managing Snow and Ice I'm your host John Allin, I am here with my co-host Tammy Johnson. Tammy, take a minute or two if you would please and tell our audience about our guest this evening.

### Tammy Johnson

Well, tonight, we have with us Mark Adamson of Douglas Dynamics. Mark is convinced that there is no business like snow business, after living in the south for half of his career he found a great reason to move back north. Now, Mark has been involved in the green industry for over two decades with John Deere Company before dedicating himself to the white industry. He obtained his MBA from Duke University with an emphasis in marketing. For the last eight years he has been the vice president of sales and marketing for Douglas Dynamics, leaders in snow and ice control and manufacturers of Western, Fisher, Blizzard and SnowEx brands.

### John Allin

Mark, welcome to the broadcast.

### Mark Adamson

Thank you very much John and thank you Tammy for having me on your show.

### John Allin

We know it's been a bit of a long haul trying to get you scheduled. You are one really busy guy.

### Mark Adamson

Well I hope that's for the right reasons. I try to stay in touch out there with the customer base so...

### John Allin

I am sure it is Mark and its really nice of you take a time out of your evening to come with us and talk about snow a little bit. Tammy did give the audience a little bit of background about yourself but would you please take a second or two here and tell our audience about yourself, what you do and how do you got there?

### Mark Adamson

Thank you. Yes I will. What I do its--actually I am looking at my business card right now and I have the title of listener, observer and that is actually on my physical card. I am not much into titles per say but try to stay in contact with the customer base out there, officially, I guess internally I am the senior vice president of sales and marketing for Douglas Dynamics but how I got here was actually through the green industry and then transitioned over to the white industry. I started with John Deere company in the early 80s and actually had the opportunity



to touch the 3M's, manufacturing, marketing as well as management and then I found my way back up north after, as Tammy said, living in the south for quite a while and had to find a reason to love the snow, you know, my blood thinned out a little bit as I was south, and I did, I made arrangements here and through some mutual friends I got on board with Douglas Dynamics and now in Wisconsin if it's 75° and sunny, it's a beautiful day and if there is four inches of snow on the ground and it's overcast, it's even a better day.

### **John Allin**

Yeah. I like that attitude. So you obviously like what you are doing, most of our audience has heard of Douglas Dynamics but I would bet most of them don't specifically know what Douglas Dynamics is all involved in. Take a second if you would and educate our audience about Douglas Dynamics and the various ways that Douglas Dynamics is involved in this snow and ice management business, I mean, you guys are into it in a big way.

### **Mark Adamson**

Certainly, and we are not big into even promoting our brand Douglas Dynamics. We prefer to promote the brands obviously that mean something to our customer base. I am sure most of the customers out there are very familiar with our brands, I am actually surprised from time to time how well Douglas Dynamics is recognized in the customer base as being the leader and just having several arms and options and opportunities through the various brands. Actually, when I was preparing for this I actually decided to--I added up the years of experience and we're actually approaching 200 years of experience through the various brands that we have. Fisher was the leader, actually, established in 1948 and has grown as did the Western brand which was established in 1952, so, both of those brands obviously are our flagship brands and they have well-deserved reputations for quality, dependability as well as outstanding customer service, you don't stick around this long particularly in this industry unless you are doing something right. The Blizzard brand actually burst onto the scene about a decade ago and brought with it new product innovation that we have adopted through our other brands that really helped the customer base in efficiency improving both productivity and versatility which was standard in straight plows in the past. The most recent acquisition that we made was TrynEx. TrynEx actually has its roots back to 1977, but I think the TrynEx brand is kind of like the Douglas brand probably not as recognized. I know all of your listeners certainly recognize the SnowEx brand. I think that is the one that people embrace and see also as quality and durability.

Certainly not the longevity that we have on the plow side but came on in a big way and absolutely the market leader in ice control and they actually have two other brands, the TurfEx, which is the turf application equipment, as well as, SweepEx Industrial attachment products so it kind of brings me full circle back to the green industry to a little bit to so it is kind of exciting to have all those diverse brands that make up Douglas Dynamics.

### **John Allin**

You know I know that TrynEx is -- I don't know if it is worldwide but it is certainly fairly well known in Europe. The Snow Dragon dealer and Sweden was a TrynEx dealer and they were selling SnowEx products in Sweden and in Scandinavia. How worldwide is the other brands for Douglas Dynamics like Western, Fisher, Blizzard and obviously TrynEx? Do you guys sell around the world?

### **Mark Adamson**

Yeah, absolutely. Europe is a big market force, heck we sell down in South America. We've got a Dealer in Chile and as well as Dealers in China. As a matter of fact, China is important to us and we have a physical location in Beijing. So we are really addressing, you know, that market worldwide but as extensive as we have been on the Western, Fisher and Blizzard side of the product line, we are actually very intrigued because not only did the TrynEx acquisition bring to us the marriage of the leader in ice control with the leader of snow control but they also had extensive selling points -- points of sale overseas. Particularly in Europe so you are absolutely right that is one of those things that, you know, allow us to say that 1+1 actually equals 3 when we marry up and utilize the synergies that we have available



to us.

### **John Allin**

Now, you told us a little bit at the beginning of the broadcast that you know what your title was and what your strengths are personally but -- what do you do? What is your job?

### **Mark Adamson**

Actually, you know, my team makes this real easy -- that I am probably -- I do my job the best when I stay out of their way. I have people that have been in the industry and have forgotten more than I'll ever know about the industry -- you know in the form of well references to John Murphy that has been around 30+ years and has done snow and snow equipment all his life. So I've basically kind of jump over and take care of the pulse of the industry. Work with a lot of the customers point to point and really take the opportunity to get out of my office. (laughs). As far as I'm concerned, the office provides an opportunity to first think and thinking. The four walls that kind of give you probably a bent perspective on reality so as one of the leaders that try to establish a vision of where we need to go and take the company, I like to give information straight from the source and in essence again a lot of that and my frustration likewise to try to connect and actually put his radio show off, my travel schedules probably 75% during the summer months.

### **John Allin**

Sure.

### **Mark Adamson**

It's amazing. I'm sure John you get this -- your whole career is when you tell people that you are in the snow business. You know the first words out of their mouth is -- what do you do during the summertime. (laughs)

### **John Allin**

Oh yeah. Oh yeah. [Crosstalk]

### **Mark Adamson**

That I think is the busiest time for me.

### **John Allin**

Sure.

### **Mark Adamson**

You know, during that time customers don't want to see me. We just kind of sit back and make sure we have good quality delivery.

### **John Allin**

You know I think that you're sort of the face of Douglas Dynamics because you read all the industry events. You have a presence out front and it's almost like you invite criticism if there is going to be any or compliments where people can come up and talk to you. You're very approachable. You're not an aloof type individual and obviously you care about Douglas Dynamics and you care about the industry because of Douglas Dynamics' participation on various fronts which we talked about in a little bit. What do you personally like the most about the job that you have got?

### **Mark Adamson**

Oh I appreciate your kind compliments -- you know I guess that portion is wired into me but I must admit I like it because I like the contact. I even like the criticism. I mean it is a case where somebody is caring enough because they want to make sure that you correct things or do things right, that they're willing to share. So I really value those people that will take the time and sometimes it's not something big. It's just simply a little -- a frustration or what we call a dissatisfier. It does not impede product performance but it would sure be neat if you



guys just did this or here's what I'm having a problem with in my organization or my company, if you guys could just come up with a solution to this. Those are the things that you know obviously if I had to pull a notepad out I do, if not as soon as we walk away, I guarantee you I'm writing it down somewhere so I can feed it back to our folks back home, but it's those contacts with the people. It's relationships. I am not telling you anything you do not know and probably the quality of your listeners -- anything that they don't know but this is a relationship business and I have always said that sales is a contact sport but even beyond that -- you know it's a family. I mean I think what I was very intrigued about when I came into the white industry is how close knit it is, and you know sometimes, I'm blessed. I've got four families. I of course got my personal family wife of 33 years, and 2 kids that are now gone and on their own and I'm proud dad, but you've got to be Dealer family. Distribution that work is second to none in the industry. We've got the employee family -- obviously great people here that build the Douglas culture but I think the one that I really try to stay in touch with the most is the customer family.

### **John Allin**

Sure.

### **Mark Adamson**

These customers have been very loyal to us and again we have that expectation that we do have to live up to and maybe at times -- I don't wanna say it's unfair because our competition would envy that type of commitment and respect to our product line and we still have plows that and that's what you talk about families -- family you don't ever leave. I mean okay. I once said I don't leave. Sometimes family members do leave and they go to explore something that they think is better, cheaper, etc. but I guarantee it because we are family, we are always ready to welcome them back when they are ready to comeback and we still have plows that are running out there that are probably older than I am. I used this example in one of the recent presentations that Fisher has a part number 3 -- that is still available through our system, through our Dealers. As a matter of fact, we sold 10 of them last year. (laughs)

### **John Allin**

Wow.

### **Mark Adamson**

So I think that shows you the commitment where others -- you know probably obsolete products and by now you should have gotten a new plow so you are on your own or charge outrageous prices -- you know we do have that commitment to our family.

### **John Allin**

Wow. It's a testament to the longevity of the product that it's well-built. I mean just because a part goes does not mean it was a bad product, it means you know something wore out. That's really quite impressive. I've been through the Fisher plant. I've been through the Western plant. I was up at Blizzard when they were getting started and there is a common thread that runs through all of the manufacturing facilities that Douglas Dynamics has that I've been through and it's one of caring and quality which is obvious by the way the people are. Now, I'm not saying that any of the other products don't have this but, the idea that Douglas Dynamics is so spread out with so many different manufacturing facilities and this thread of quality that runs through and permeates the attitude of the people there across the country and I would imagine across the pond and into China, too, and it's a nice thing to see and it's really obvious that Douglas Dynamics pays attention to its employees and its products so I guess I should not be surprised that there is a part number 3 that you still have available for people who still have that product. That's a good thing.

### **Mark Adamson**

Well I appreciate your comments John and glad you were able to visit the facilities. I invite you back as well as anybody anytime. I think you would be amazed, not sure exactly of



the last time you've been through, but it changes. I'm amazed how often it changes when I come back and again it's all because we have a continuous improvement culture that permeates through the entire organization and culture is a very important word for us. I mean we feel that it is one of our greatest assets and of course it is something that you can't really put a number and/or a name on. But we have people that are engaged and know that there is always a better way and they always want to improve whether that's quality, whether that's delivery or whether that is just growth and so because they get to participate, I think they really become in essence owners of the company, and as a matter of fact, we are a public company and we do have stock purchase plans. In fact, John you can own -- have a piece of the rock here. You can be an owner of Douglas Dynamics. It's PLOW, the clever ticker on New York stock exchange but I think that culture is really -- you know permeates through that again and it's just people wanting to do better consistently and if you didn't know where you were whether it was Beijing, Rockland Maine, Milwaukee, Wisconsin and soon we are trying to develop that same type of feel in Madison Heights in Michigan and they have a great head start towards that anyhow. I think would you be hard pressed to know where you are standing because the people all have the same mindset.

### **John Allin**

Well, it does show in the product itself and the feedback I get from people that I associate with. It's a great product. At one point, I owned a couple of dozen Western plows and Salt spreaders. In fact, at one point all my company owned equipment was all outfitted with Western products across the board. Douglas Dynamics is an avid supporter of SIMA. They weren't there at the beginning. We did not have any vendors involved the first 2 years but the first 1 that stepped up for the plate was Rick Coolman and Douglas Dynamics and you have been heavily involved in AFCA and now Snow Fighters Institute with our initiative in Alaska. So obviously Douglas Dynamics sees benefits from a business standpoint in supporting the trade associations that are dedicated to the snow industry. Do you find it rewarding to you personally? Because you are involved, there's gotta be a good reason for that.

### **Mark Adamson**

Yeah, I do find it that and maybe it's back to that family concept but I feel that even personally myself, I have a responsibility to give back to the industry and I do that -- obviously you know whatever talent that I have and participation and rolling up the shirt sleeves that I can provide -- you know I was on the legislative day of the hill. I just recently been elected to the board of directors for SIMA so I certainly don't shy away from responsibility to become involved in and see that the industry moves forward in a positive way and you know that things that I get out of it besides you -- you know what you expect friendship, great people, a sense of belonging. It's that voice of the customer. It's the bringing back to my company. You know the way we can participate obviously through commerce is providing you all more efficient products and products that meet the needs of our customer base on a broader and broader scope.

Mark, Tammy and I were talking and she reminded me that -- so that I can be fair to all of your people that Rick Coolman actually came to the second SIMA symposium in 1999 and was very complementary of what we were doing and wanted to get involved, so Douglas Dynamics was the first to step up to the plate and become involved with SIMA and that's to Douglas Dynamics credit as far as I am concerned. You know I'm curious what do you and maybe you as Douglas Dynamics or you as Mark Adamson see as the biggest challenges facing the snow industry as it continues to evolve, just thoughts on that.

### **Mark Adamson**

Actually, I'll revert back to the symposium, the recent SIMA symposium that I was actually a panel member on. In fact, I think you were in the audience but the same question came from Martin, the executive officer of SIMA asked that of us, the panel, and my response was margin compression. Now, I just said those two words and it was kind of amazing because I got applause from the audience (laughs) I think that's the first time margin compression ever drew applause, but I think it was a conversation that I had out in the hall



with several of them that they were -- you know, that it's really refreshing that a manufacturer gets it that you understand the pain and I think it has been the touch point and walking in the moccasins because no doubt about it -- you know there is a lot of stress certainly from the top end in a very competitive market place especially for those that are unwilling to embrace change but also from the bottom end too, from the cost end. I mean you take a look at what's happening -- you know fuel cost and certainly labor challenges that are out there, but -- you know one of -- your, my, and several passions as you know are the escalating insurance costs that continue to put stress on those same margins and that's why -- you know it thrills me to no end the recent success on the HR 2655 -- you know passing through congress on the lawsuit -- you know a frivolous lawsuit abuse act -- you know it's things like that, immigration reform, it's those types of things that as a manufacturer -- you know it would be easier for us to ignore and that's the industry's problem but we do get involved in those type of things and try to alleviate -- you know that type of stress on our customer base, but beyond that the things that obviously we can immediately provide is more efficient product, I mean no doubt about it the ability to you know do your job more efficiently will help that cost end and so the products that we provide always -- you know without a doubt have durability and reliability in mind I mean we don't sacrifice quality for anything and we don't sacrifice well, -- you know even safety is another end of it but shortly on the heels of both of those is efficiency trying to make sure that our customers are more efficient.

### **John Allin**

Yeah, so how do see those Dynamics fitting into dealing with that particular challenge and what does Douglas Dynamics having in the works that would help I mean you talked about efficiency certainly the wide outs and the V-blades have helped. Is there anything that you are able to share with the audience of things that are going on in the Douglas Dynamics room to bring to the table that could help with that particular challenge?

### **Mark Adamson**

Obviously, I'm not privy to explore -- you know future products that are coming down the pipeline, but I think just our culture and our activity is one that demonstrates that you know it is continuous improvement. Just this year when most of the industry was licking its wounds from very low snow fall certainly -- you know the year before and the slow -- snow start last year. We just introduced 12 new Blizzard plows, we had 18 new Western plows, I think 18 in the same on the Fisher side, so -- you know nearly 50 new entries as well as skid loader plows, pusher plows for wheel loaders and tractor loader backhoes and UTV plows, etc. So, you know we are looking for the entry of products on a lot of different realms and types of equipment but I certainly don't want to belittle the efficiency just in a V plow over a straight blade and I guess in the realm of if one hinge is good, two hinges are better. The Expandable V plow or expandable plow like you said a Wide Out, XLS as well as the Power Plow on the Blizzard side. I mean you will get testimonials over and over again from customers that say -- you know were talking 30% to 50% more efficient (crosstalk). Yeah. We actually have a calculator that's on all three of the plow websites that you can basically put in whatever your current plow is. I mean we've got competitors up there too, we are no shrinking violets. You put in your plow and then you compare to a V-Plow or you compare it to expandable multi hinge plow and you can really see the savings add up fast and the numbers are there and again numbers are one thing on a website, testimonials are another, but I've come in contact with plenty of customers out there and one customer actually -- you know relayed it very well, he said -- you know with the efficiency that I picked up. in this particular case is the Wide Out, he said "I'm actually doing the same job with two trucks that I was doing with three" and so yeah the plow is more efficient and yes it costs a little bit more, I am not going to say it does not, but he said that the true savings comes not in the jobs that I do, but the fact that I was actually able to eliminate the truck. I was able to eliminate fuel cost, a driver, the insurance that goes along with that, I mean there is lot of things beyond just the fact that the plow or the blade is more productive. We're even seeing -- well the president of SIMA, Mike Anderson, he actually rewards his subcontractors because he knows that they're more efficient with the Wide Out Plow or a Power Plow from Blizzard that he will pay them premium if they are



plowing with those types of products so that's not unusual but that it a testimonial because again they wouldn't be dishing out those monies if they didn't know it wasn't worth it.

### **John Allin**

**(39:10):** Well, it all translates into additional margin for the contractor and sharing some of that with the service providers who have that more efficient equipment is certainly appropriate and we used to do that and I know that they are many, many contractors around the country that pay a differential for having more efficient equipment available to bring to the table and it's good for everybody, so what you're -- what you're essentially saying here is that the advances in technology, whether they were actually brought about by Douglas Dynamics or somebody that Douglas Dynamics purchased in the form of Blizzard, it translates into higher margins for the contractor and makes them more competitive and that's a good thing so there is a -- apparently you have an investment in the success of the contractors because -- you know quite honestly if they are not making any money, they aren't going to be buying any new equipment, so that's all good stuff. Mark, if you are able to discuss it, if you even know, what's in the works for Douglas Dynamics and you know the future of the various manufacturing and is it under the Douglas Dynamics umbrella? I mean are you guys gonna buy more companies. Are you gonna expand your product line?

### **Mark Adamson**

Well, we are always looking to improve and again serve the customer base. You can make the inferences from there. We actually have a saying that's "perfect yesterday and free". Customers want three things, they want it perfect, they want it yesterday and they want it free. Now I do not think we're gonna be giving it to them for free. We are a public company but certainly -- you know it's gonna be a value type of a proposition but the things we do from the manufacturing side are exactly that. I mean it's the ongoing quest for perfection, improving quality, it's the ongoing quest to be able to be as responsive as possible to the market place and we really do that through our lean initiatives. If you haven't again been back to the factory recently like I say -- it changes everyday because of the mindset that we promote and that is "there's always a better way" and so you know lean is a continuous improvement and I think you will see the manufacturing entities to continue to focus on the high quality products providing industry leading service levels and with the acquisition of TrynEx in May in our Madison heights location in Michigan. You know they have already started the lean journey because those are one of the things that we can bring to them as a long term quality manufacturer to continue to take a great product and make it even better.

### **John Allin**

That is good to hear. That's very good to hear. Alright now, I mean to ask you a more personal question, not Mark Adamson, Senior Vice President Marketing at Douglas Dynamics but Mark Adamson as a person who has a vested interest in the snow industry. If you could dream, and if you could see those dreams come to fruition tell our audience what those dreams might consist of.

### **Mark Adamson**

Well, that is a great question. I think I have a newfound respect and I'm such a fan of the industry and those people that fight snow. It's almost like being a spectator sport from watching football or basketball. It is something that I could never do. I don't think I'd have to wherewithal and certainly not the guts and the stamina to pull off what they pull off but that does not mean I can't be in the stands, rooting them on and be a fan and I think if I had 1 dream, I think it would be that snow fighters would achieve the same level of respect as a fireman, as a policeman, as people that -- you know risk their lives for the good of man. You know, at the very least, they are out there, 2 a.m. in the morning. It does not matter what time. I mean they are out there and they are at the very least keeping businesses open. You know they make sure of commerce is humming. They make sure GMP -- you know they contribute to GMP -- I mean they are doing all those types of things that keep this country, you know, open in the hours that they are supposed to be open and moving along as they are supposed to move, but I think what sometimes gets belittled in a situation when you have



really a crisis situation. I mean a snow is no different than a hurricane or tornado. I mean it is a natural in some cases disaster if it gets to blizzard level -- that you need somebody to rush in and save you and you know, like I said on the top end, they are saving lives. They are reducing the risk of vehicle deaths. Slips and falls -- even to the point of allowing a doctor and/or a patient -- you know to get into a hospital for that life-saving procedure. So I think if I had a dream, I think you know, snow fighters would rank right up there with the firemen and the policemen of the world and get the respect that they really deserve.

### **John Allin**

I don't think I have ever heard it put in a more concise and forthright manner than what you have just said. I've heard a lot of contractors say that the people that buy their services often look at them as individuals who can't find real jobs when in fact, they are working in horrendous conditions. Actually, risking their lives at times to provide safe environments for the people who drive and walk on the sites that we maintain and I think that makes them professionals, and you put it very well and I thank you as a former snow contractor and somebody who is heavily involved in the snow industry. Thank you for that, that was well put.

### **Mark Adamson**

I appreciate that I'll give you big Amen for exactly you iteration of the same.

### **John Allin**

We have spent the last 45 minutes with Mark Adamson from Douglas Dynamics. They are the parent company of Blizzard, Western, Fisher and now SnowEx. It has been a wonderful 45 minutes. Thank you for taking time out of your evening. I know you got a really busy schedule.

You travel more than I do, which is hard to do and I'm very pleased that you took the time and I hope that you have found it rewarding because I know our audience will have. Thank you so very much.

### **Mark Adamson**

Thank you.