

SERVING CAPITAL EQUIPMENT MARKET

Name: Tom Wenstrand

Title: Owner

Education: B.S. Iowa State University,
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Career: Arizona Land & Cattle Co., DeKalb



AM: What is your company's founding?

TW: A German immigrant foundryman started the original **Hawkeye Steel Product, Inc.** His product line was built around cast iron components. He poured hand grenades during the Korean Conflict. A public company purchased and combined three family businesses starting in the 1970s including Hawkeye Steel. They decided they had enough of trying to feed the world in the midst of the farm crisis of the 1980's and sold the business back to private interests in 1986. Included in those interests were myself and **Marvin Bricker**. Five years ago, Marvin and I divided the assets of the business at that time according to our interests. From a future clarity and legacy standpoint, this was very smart move. Hawkeye Steel is now in its fourth iteration.

AM: What are your products?

TW: **Pride of the Farm** feeds and waters animal in the U.S., Canada and Europe. Products are 100% energy free drinkers, heated drinkers, mineral feeders, hopper bottom feed bins and swine equipment.

Brower manufacturers feeding and watering equipment with emphasis in the poultry market. Brower also sells a line of equipment for processing poultry. Brower exports to many Latin destinations and some Asian.

SpanTech is the company's fabric building line. They are used for storage of grain, hay, equipment and corrosive materials and for animal production and riding arenas.

AM: What are your growth opportunities?

TW: Fabric buildings have had a presence since the early 1990s but are still considered a new entrant and somewhat of a novelty as a legitimate

means of providing cover. For example, there are still plenty of opportunities to present the case that these structures are the best means of storing corrosive materials. We have learned how to have virtually no metallic points of corrosion. Our frames are hot dipped galvanized post fabrication and we see no ill effects from salt, fertilizer or corrosive gases now after 20 years of service.

The "buy local, know your food source" trend, while at times somewhat irrational on some issues, is for real. We have several equipment sku's which were on the verge of extinction a few years ago but which now are some of our best performers. Any products related to cage free eggs are off the charts.

AM: How is the overall market place?

TW: The economic health of our marketplace is mixed. As of late, demand for our cattle related offering looks to be nicely improving — from a low level at least during the past year or so. Outstanding quotes and the order book for buildings are good but somewhat uncertain.

AM: What is your sales/service channel?

TW: Our distribution is increasingly "omni-channel" except for direct retail sales. Our buildings are sold through dealers most of whom have light construction skills. The same is true for equipment we sell to commercial feedyards. We have a lot of products which move through distribution to local dealers. We

increasingly sell products on-line not directly but through dealer on-line merchants. We have some traditional dealers who engage in online selling as well. We work hard to maintain pricing integrity so that all channels are treated rationally and fairly. On line sellers continue to proliferate and we are not going to say no to them. Controlling our brand has new levels of complexity with third party sellers not beholden to you as a manufacturer.

AM: What role does marketing communications play at Hawkeye?

TW: To the end user marketplace, our message is that we strive for continuous improvement so that our customers receive good value making production more convenient, less labor intensive with reduced costs. We try to be generous in our warranties. A person always answers the phone. We have recently re-worked a lot of our instruction sheets for greater clarity. We are working on more product videos. We exhibit at a lot of trade shows and try to fully respond to legitimate customer comments from shows.

Our message to our dealers and distributors is that we want to help them have great businesses. Robust quotation software is one example. The dealer needs pricing but also needs engineered drawings, detailed building specifications and dimensions with the fewest entries and clicks possible. Another example is 3D modeling with satellite imaging of various dimensions and profiles.

One of the most value added benefits we can provide all of our dealers and distributors are leads. More traditional sources from publications or other media are still valuable. Linking on line with show listings is helpful. The largest source has become SEO's and a whole skill set continues to evolve. What is our cost per lead, not necessarily per click? Which words convert the best?

AM: Anything else for agri-marketers?

TW: Don't fret the current circumstances. Don't look back. We are not going that way. **AM**