

A False Economy: The Specialty Manufacturing Scalability Gap



Photo: conterra-lhc.com

Rick Lipke is the owner, founder and design inspiration behind Conterra, an American supplier of technical rescue equipment. The interesting thing about Rick, beyond the many patents he holds and the technical articles he's written, is his mastery of the company's niche and process. Conterra makes all of its goods in Washington state, always has. For 28 years Rick has been sewing bags and milling steel, a dichotomy that echoes Yvon Chouinard and his skunkworks of yore. The company makes original, and highly complex, rescue-oriented packs and hardware, the type of stuff you'd see emergency teams using to lower an injured climber or utility worker. The hometown production is a rallying point in their literature:

"Conterra products are hand built locally in America at a fair wage to support our quality standard, local economy... Though it's more expensive gear, think about what your dollar supports."

I gave Rick a call recently thinking he might have an interesting take on the movement toward 'Made in USA' and perhaps get a handle on why he has remained stateside with production. "To stay nimble," Rick said. That quick answer makes a lot of sense in an increasingly fractal world, "If a big company is making big runs of product in Asia, and someone makes a mistake, they're done. It took them 18 months to get that product ready for market, how many more months will it take to fix a problem or change a strap!?"

Then Rick hit me with a summation, one that is just below the surface for many colleagues: "It's a false economy to make product that way! It takes too much time, too much product gets made, and discounted, the environmental controls are lax, the carbon footprint huge, and the workers..." he trailed off. "The dollars you pay might be lower, but the total price is much, much

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"When we blow it, or something goes wrong, we can have it fixed and back on the market in six weeks, eight if I have to do a redesign from scratch. We haven't wasted a lot of time or materials, we have a better product, and our product IQ went up! ...right here in Bellingham, we got a little smarter!" Rick went on about fair wages and American materials, but the

dye had been cast, Conterra succeeds because they are fast and they're smart. It is true that Conterra is mining a rich vein in a quirky little industry, but the point is they are doing it the old fashion way; by knowing who they are, what they make and who it's for. The web site is broad shouldered and thick with technical advisors and accolades. The product specialized and described in such a way ('fluid proof materials'...) that it reaches past authentic.

The question is, can that successful small scale specialty manufacturing model scale up? Conterra's advantage is that they are into it; they love their product with both their hands and their heads. That's part of the service they provide; a background of skill and expertise. But, can this be done in a larger way? Can a custom shop attitude go mainstream in our mass customization world? Might be about time... ●