

KING of the FOREST

SUPERIOR-BASED BARKO HYDRAULICS MANUFACTURES TOUGH EQUIPMENT FOR DOMESTIC AND GLOBAL FOREST INDUSTRY CUSTOMERS



If you're a forestry industry worker or are clearing the right-of-way for a utility line, and if you're sitting in the cab of the Barko Hydraulics 937B Industrial Wheeled Tractor, you've got a very comfortable seat.

You've also got a whole lot more to make your job easier, as the tractor's description makes clear: "ROPS and FOPS certified, the tightly sealed, vibration-isolated floating cab features sound insulation and an adjustable bucket seat with a four-point harness. Climate controlled with air conditioning and heating with defroster, the cab includes dual joystick controls, pilot operated foot travel and brake pedals, and various control buttons." Enhanced operator comfort is only one of many hallmark qualities in equipment manufactured by Barko Hydraulics. It also features purpose-built designs for productive operation as well as optimized fuel efficiency.

The Heico Companies has more than 9,000 employees and more than 70 operating companies on five continents.

The business's origins date back to 1946, when brothers Maurice and Edward Bartell launched Lakeshore Body and Equipment from their dad's blacksmith shop in Duluth and began offering metal fabricating services. In 1962, the Bartells bought the legal rights for the Ramey loader from the IRS and launched a new division – Barko Hydraulics – in 1963.





“We have plans for significant growth. In five years, we want to double the size of business. We’ve got a good runway for it, and the trajectory looks like it’s going to be a very reasonable plan.”

– PRESIDENT JUSTIN RUPAR

The company subsequently needed more room to meet growing manufacturing demand, so in 1974, it bought the Paper Calmenson Steel Warehouse in Superior. Barko has been building rugged, heavy-duty forestry equipment ever since at its bayfront location at One Banks Avenue.

The company has a stellar reputation in the forestry industry as a supplier of reliable, high-quality equipment – which is why its website proudly states “King of the Forest” next to the Barko logo. It has an impressive history of growth, and today, the equipment it manufactures is used in this region, in other states and in other countries. And whether customers are in the logging business in Northeastern Minnesota or working deep in a forest in another country, they expect – and need – tough equipment that lasts.

A NEW PRESIDENT COMES FULL CIRCLE

Former Iron Ranger Justin Rupar has a clear connection from his past to his new role today. “Back when I started in this business, almost 30 years ago now, I was in sales for a heavy truck dealership, and one of our product lines was Barko. So I sold Barko when I was 22 or 23 years old,” laughs Rupar. In a more serious tone, he noted, “I’ve sold a lot of trailer loaders and truck loaders, and I’ve been out in the woods with loggers and with pulp companies. I really have an affinity for the brand, because it was easy to sell back then. Barko is iconic in the forest industry.”

That’s a perfect background for Rupar’s new position at Barko Hydraulics. The company announced that he was appointed president in a June 25 news

release. Before joining Barko, Rupar held leadership positions with Yamaha Motor Corp., YANMAR America and ASV Holdings, overseeing global commercial, distribution and after-sales support activities. He has more than 27 years of expertise in the equipment industry including manufacturing, dealer development, marketing and sales.

He’s still counting his time at Barko in terms of weeks, and Rupar is candid about the personal challenges of joining a new organization while also sharing his optimism about the future he sees for Barko. “I think the challenge for anybody coming to a new place is culture and how you fit in, and how you bring new ideas,” Rupar said, “and then to understand, outwardly, how do we fit in the market and how does the market perceive us?”

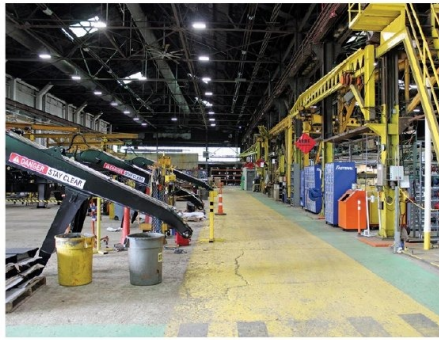
An extensive network of dealer partners acts as the conduit between Barko and the end user – and Rupar is keen to listen and learn from them. If he were to get a report card from the dealers, he wonders aloud, what would it say? “I think that’s the heavy lifting portion of it, from my perspective. My approach to it is that we’ve got to be incredible partners to our dealers,” Rupar said. “We’ve got to listen to what they say, deliver what they want, and it has to be exceptional quality. “We’ve got to be really good at what we do to meet their expectations with products and with services as well.”

Success, after all, begins with a great product – and that’s something Barko has been delivering since day one.

PART OF THE HEICO COMPANIES INDUSTRIAL TECHNOLOGIES GROUP

An important part of Barko’s support network is its affiliation with two other heavy equipment manufacturers – Pettibone Traverse Lift of Baraga, Michigan (specializing in material handling equipment for the





construction and railroad maintenance industries), and ARDCO (off-road work vehicles), whose production is housed in Pettibone's Baraga facility while headquarters remain in New Iberia, Louisiana. These three businesses are sister companies that are within the Industrial Technologies Group, owned and operated by the The Heico Companies, whose corporate headquarters are in Chicago. The Heico Companies has more than 9,000 employees and more than 70 operating companies on five continents.

"I work closely with the engineering team members at other companies within the Industrial Technologies Group," said Scott Harms, who is the director of engineering and product support at Barko. "It's important to be aligned on our design processes, the components that we use, and to learn from one another and utilize best practices across the board."

"Within Heico, in the Industrial Technologies Group, we have an engineering council ... We have 11 different companies that get together on a monthly basis."

— DIRECTOR OF ENGINEERING AND PRODUCT SUPPORT SCOTT HARMS

Originally from southern Minnesota, Harms went to school at the Milwaukee School of Engineering. After college, he took a job with Caterpillar in the Chicago area in the hydraulic components division, where he cut his teeth on fluid power hydraulic systems. He's now been with Barko for 15 years.

"Within Heico, in the Industrial Technologies Group, we have an engineering council with representatives from all the different companies," he explained. "We have 11 different companies that get together on a monthly basis – to learn from one another, help each other out, provide support and discuss new technology that could be applicable to all the other companies."

And Barko's ownership, all the way up to Heico's chairman, knows the product line, Rupar added: "They know our dealers. They can tell you the general specifications and capabilities of the product line." In fact, Chairman Emily Heisley Stoeckel of The Heico Companies has walked the manufacturing floor in Superior a number of times. "She comes and visits,"

said Rupar. "She'll walk the floor and talk with the team members. The folks on the production floor know her, and she really likes getting in the plants and learning about the businesses." Rupar says this relationship is mutually beneficial.

During the pandemic, The Heico Companies was very supportive of Barko and its sister companies. Barko operations have remained stable throughout the COVID-19 pandemic, Rupar said, noting that while the company did have to make some tough decisions, it "didn't face the risk that many other companies had during that time period."



A GLOBAL JOURNEY

"Today, I would say that our biggest challenge is on the supply side," said Karen Pauwels, the director of supply chain and operations, in explaining the pandemic's impact. In 2021, it's no surprise that many businesses have experienced – and continue to experience – supply chain issues, Barko included.

The critical supply chain timeline Pauwels works within typically has a three- to six-month lead time built into it. Since the pandemic situation remains in flux, she basically plans on a 24-month lead time. And Barko can tap into Heico's network of resources around the world to help keep parts flowing. "Having the resources of Heico behind us and their support is amazing," said Pauwels. "They have teams overseas that are our eyes, ears and feet on the ground with our suppliers in those regions. That's something that a company our size normally would not have."

It's an interesting journey from start to finish for a Barko machine. Some parts travel many thousands of miles before reaching Superior. "Some of our suppliers are relatively close to seaports," Pauwels explained, "so for our heavy weldments, they are loaded into 40-foot containers and arrive at domestic ports a short time later."

In Seattle or Vancouver, the containers clear customs and are then transported by railroad to Minneapolis-St. Paul, where they're transferred to trucks for the final leg of the journey to the manufacturing plant in Superior.

Barko Hydraulics has freight forwarder partners that help manage and move the freight, and shipments are tracked online. "As soon as our parts are loaded into a container, we know that container number, and there's detailed tracking on where it's exactly at. Everything's digitized these days," Pauwels said. "There're so many changes of hands and so many people involved in the whole flow; it's kind of amazing that it flows as well as it does."

OPERATIONS ON THE MANUFACTURING FLOOR

On the factory floor, the assembly teams start with the basic equipment parts, such as the frames and axles, and build the machines from scratch, explained Pauwels. The cavernous production floor takes up more than half of the back of the building and is well suited for incorporating a series of work pods and assembly stations. This is where the majority of Barko's 70-plus employees work.

"Each piece of equipment is assembled part by part and then thoroughly tested," Pauwels said. "Our team does a really great job at putting our machines together. Whether it's assembling, wiring or testing, our team takes gride pride in producing a quality product."



Vice President of Sales Kevin Lee

An average production cycle for a machine such as a Merchandising Loader assembled at Barko is about one week. And the Barko Merchandising Loaders (including the 295B, 495B and 595B models) are the company's best seller. "It's the bread-and-butter of Barko. It's what we are known for in our loaders," said Pauwels. "From start to finish, it's about a week to build and test each machine. For some of our machines, it could be up to a week-and-a-half to two weeks. Our Tracked Harvesters can be up to three weeks for a build cycle."

Pauwels' career path to supply chain management and operations was driven by opportunities she took advantage of after college at Iowa State University. "I spent the majority of my career at Motorola in the Chicago area in cell phones and quickly found my way into the supply chain [operations]," she said. "I spent 16 years at Motorola in various positions and had the opportunity to do several expat assignments for Motorola. I lived in China for two years."



Pauwels says she has a great team working with her to maintain the factory operation side while she focuses on strategy and planning. "I would also say one of the other challenges is how to get more efficient in driving productivity within our operations," she said. "This is where part of the strategy comes in – are there ways to optimize our lines? Is there tooling or other equipment that we would want to make investments in to help us be more efficient in our production and operations?"



"Some of the things that make my job easier are the people and the pride that they take in working for Barko – the pride they take in building the equipment," Pauwels added. "Having that engagement, with people who are really proud of where they work, is something that makes my job easier."

FOR CUSTOMERS, IT'S ALL ABOUT UPTIME

Steve Talaga, the director of marketing and product management, is always studying the latest product innovations and keeping up to date on technology changes that continually evolve. And he's continually in touch with the company's network of dealers and customers to keep up with what they're



"They have teams overseas that are our eyes, ears and feet on the ground with our suppliers in those regions."

– DIRECTOR OF SUPPLY CHAIN AND OPERATIONS KAREN PAUWELS

saying and thinking. "It's gonna sound cliché," he said in describing what his job is all about, "but it's all about delivering the best product we can for our customers, day in and day out."

"It needs to be productive. It needs to perform. It needs to be fuel efficient. Our primary customers are loggers," Talaga added. "When they have downtime, that really hurts their bottom line, because they can't operate their businesses. A lot of these companies are smaller, family-owned businesses – mom and pop. If they can't get wood to the mills, they can't get paid that day. So uptime is really crucial for them to be successful."

There is no average day for Talaga, who handles everything from day-to-day marketing tasks (including appearing in some Barko YouTube videos) and tradeshow planning to involvement with the sales and dealer development side of the company. Talaga works closely with the sales team and Barko equipment





dealers as well as customers to gather feedback on what they like and what they don't like. Then he helps convey that information to the engineering team.

"In our distribution network, Barko is affiliated with over 70 dealers. We've got a good core of top-level dealers that deal quite a few machines, and they also provide product support after the sale to their customers," Talaga explained. The majority of this dealer network is east of the Mississippi River. Not surprisingly, Barko focuses primarily on the southern part of the country – the 10 states from East Texas up to Virginia.

Talaga says that's where the majority of timber harvesting (over 50 percent) now takes place in the U.S.

So Barko's rugged Merchandising Loaders (ML's) are hard at work in the South, loading logging trucks with tree-length wood to haul to the mill. The ML's are the company's highest volume product line – "our bread and butter," Talaga said.

PLANS FOR MORE GROWTH

Rupar agrees with Talaga that the forestry industry dealers do a great job with their customers. "I



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– DIRECTOR OF MARKETING AND PRODUCT SUPPORT STEVE TALAGA

think the next step for us – and we were already on that path – is to develop a broader product line and get in to do a better job with the heavy side of the equipment,” Rupar said, noting, for example, Barko’s industrial wheeled tractors, wheeled feller bunchers and future products.

Barko Hydraulics’ new president sees other opportunities, too. “We’ve got opportunities in scrap handling, refuse recycling and construction that we really haven’t tapped into yet,” said Rupar. “We have plans for



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significant growth. In five years, we want to double the size of business. We've got a good runway for it, and the trajectory looks like it's going to be a very reasonable plan to do that. So we're excited about it.

"I want the world to see Barko like I see it," he said. "That's really my goal, my vision with regard to

what type of brand recognition and brand equity we should have – that we can have – in the industry and with the community, too." 

Patrick Lapinski is a freelance writer who grew up in Superior.

Creating life-long opportunities

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