

MAKING IT
IN NORTHERN
MICHIGAN



GTAMC

WHO KNEW THEY MADE IT HERE?



By Clark Miller

Dutchman Manufacturing Company recently doubled its workforce. Since founding the company in 2011, Tom Van Fossen has relied solely on just two very special “employees.” Both of them work tirelessly, accurately and profitably – and without pay.

They are computer numerical control (CNC) devices. He has programmed them to churn out valves and fittings for the waterworks industry, a term that encompasses the firefighting community, which at this point is Dutchman’s most important end market. In essence, the CNC equipment performs “subtractive processes,” which means they remove material from a stock piece.

Recently, Van Fossen couldn’t pass up an opportunity to double his workforce, hiring two human machinists from the Cedar, Michigan-based machine shop Centurn Machine and Tool.

He also bought Centurn’s buildings, land and some of its machinery. Although hiring employees was something he planned to do farther down the road, he saw an opportunity.

“You can have a plan, but the world will tweak it for you,” he said. “It’s working out, though. The opportunity to hire these guys was something I just couldn’t pass up. Eventually the added staff will free me up to work on growing the company and diversifying our customer base ... and you have to diversify.”

One thing he stresses to those just starting out is to learn all you can. His first professional job was a big step in that direction. After graduating with a master’s degree from the University of Toledo, he landed a position with Teledyne, making turbo engines for Harpoon missiles. It was highly demanding work.

Always on the lookout for the next challenge, he moved to Traverse City in 1995 to work for Keith Scott at Leelanau Industries,

who Van Fossen says “inspired” him.

“(Scott) understood from the start that eventually I wanted to go out on my own,” Van Fossen said. “This is a guy who got into business when he was 18 years old, if not sooner. He just made it happen.”

Van Fossen also praises Traverse City inventor and entrepreneur John Parsons, whose ideas set the stage for CNC technology.

“His work made my life easier,” Van Fossen said. “In fact, John influenced people around the world.”

Another business-building strategy Van Fossen believes in is to avoid debt. But just as he had to compromise his plan to hire two new employees earlier than planned, he knows it takes some financial risks.

“At the very beginning (of Dutchman Manufacturing) I needed an SBA loan for the CNC machines,” he said. “I already had orders.”

The CNC equipment was expensive. The loan, he said, “was a leap of faith by SBA and by me. It was daunting.”

To this day, he is still risk adverse when it comes to borrowing money.

“It can end up being like a drug. You can’t get off it,” he said. “But on the other hand, you can’t always creep into things.”

A few weeks ago, Van Fossen had a chance to talk to a retired machinist whose son wants to start a machine shop.

“I’ve learned that we don’t get where we want alone,” Van Fossen said. “We stand on the shoulders of others. We won’t be in this forever. I was glad to talk to him. I might end up being in direct competition in some ways with the new kid. But that’s OK.”

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– Tom Van Fossen,
owner, Dutchman
Manufacturing Company

The Grand Traverse Area Manufacturing Council (GTAMC) sponsors this column. Its mission is to support a sustainable and globally competitive manufacturing sector for a stronger economy. Learn more at makegreatthings.org.