

ULLAND BROTHERS, INC.

Dynamic Minnesota contractor takes pride in its skilled and experienced people



Bob Ulland, chairman

Bob Ulland of Ulland Brothers, Inc., recently recalled a conversation he had years ago with his oldest daughter.

"All of a sudden she said, 'Dad, wouldn't you like to build something besides a road, like a bridge or a hotel or something that's more fun to see?' And I said, 'How about if we build people — people who can build anything? How would that be?'"

"That's what I like," Ulland said. "I've always seen the value of people here at the company. You don't get anything done yourself."

That philosophy has shaped the business, started in the late 1920s by Bob's father and uncle, Palmer and Oscar Ulland, into a major, diversified firm with nearly 230 employees working on projects throughout Minnesota. Based in Carlton in northern Minnesota, with a southern operation in Albert Lea, the company also has an office and maintenance facility in Hibbing as well as numerous quarries and gravel pits in both parts of the state.

Risk-taking farmers

The company's founders were just two adventure-some young farmers who weren't scared of anything, Bob Ulland said of Oscar and Palmer. When land became available in Montana, they headed west and began wheat farming. "They were just young men and they had a truck. When the wheat crop failed, the truck was all they had left, so they came back and got a job hauling some gravel for a township near the Austin area and one thing led to another."

In the mid-1930s, the brothers moved to northeastern Minnesota. "They often went up there to fish and hunt, so they knew the area well," he said. "In 1937, they had a crusher and they bid 11 projects for St. Louis County and got all 11 of them, so they were in business. That's how they started."

Equipped with only a minimal education they worked and they learned, Ulland said admiringly of his father and uncle. "I have always felt they were

both highly educated men because they just did their work and learned and learned."

Bob Ulland followed in their footsteps, working summers at Ulland Brothers as a young man, then joining the company full-time in 1965. He began as an estimator, worked as a utility foreman, ran jobs, became a general superintendent, and was named company president in 1970 — a position he held for more than 30 years. He now serves as the company's semi-retired chairman of the board.

In 1954, the year the company was incorporated, the Ulland brothers brought in another brother and Bob's older brother Gene, who preceded him as company president. Bob is the only family member left in the company today.

"It's not a family business," he emphasized. "We've kept the family name, but I'm the only one in the family involved in the business." That has been key, he added, to retaining excellent, skilled people. "They see it as an opportunity to develop themselves and be part of things. They're not going to hit their head against some family member who's not as good as they are. They have an opportunity to advance in their authority and responsibility according to how they perform."

Employees also have the opportunity to become part owners of the company, Ulland said, noting that more than 30 have chosen to do so. "In that sense, we are very unusual in the industry. There aren't very many construction companies where the family doesn't own it. I'm just a small part of the ownership in place."

The power of being diversified

A longtime road builder, Ulland Brothers now handles all kinds of commercial and industrial site and underground utility work and has grown its aggregate sales into a major part of the business.

"We did a lot of work with the paper companies," Ulland cited as an example of recent company projects. "We also handled site prep for a science building at UMD (University of Minnesota-Duluth), site



Mike Welch, president



A Ulland Brothers operator uses a huge new Komatsu WA800-3 wheel loader equipped with a 14.4 cubic yard bucket to charge a crusher at a crushing plant site near Virginia, Minn.

The crushing operation in Virginia makes a variety of aggregate products, including ballast for the Canadian National Railroad.

prep for a dormitory and some road building at College of St. Scholastica and site work at the Menards in Duluth. We have built soccer fields, football fields, baseball fields and quite a few golf courses. That's why we don't look at ourselves as just a road builder. We've worked hard at becoming diversified."

Currently Ulland Brothers is working on a \$30 million high school project in Two Harbors that involves concrete, curb and gutter, Ulland said. "We're doing all the site and utility work as well as the base and paving associated with the project."

Ulland company president Mike Welch said, "We have two large street and utility jobs in the town of Virginia where we're completely rebuilding the streets, including sewer and water." Welch joined the company in July 2001 after working with a heavy highway contractor in Wisconsin for more than 25 years.

At Ulland's Albert Lea location, Welch explained, "We work within a 60- to 70-mile radius of the hot mix plant. We do some site grading, small jobs and bike trails. We own aggregate sources in the area, which we use to supply our projects and to supply ready-mix companies as well."

The company also has quarries in Duluth and International Falls. "We do a lot of work with aggregates in the Virginia-area mines, and we've got numerous gravel pits throughout northeastern Minnesota," Ulland reported. The company uses about half the material and sells half to others. For the past 15 years, Ulland has supplied ballast to the Canadian National Railroad, crushing and then loading the hard rock aggregate directly onto rail cars that carry it to sites in the U.S. and Canada.

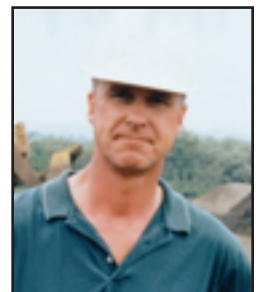


Ulland's diversity has proven to be a huge advantage, Welch said. "It helps us offer a complete package on some projects we bid, and we're flexible. When the economy's down in one sector, we can switch gears and take our people and our equipment to do work in a different sector. Ulland has been able to swing with the tide when the economy changes because they've been through it numerous times."

Teamwork and trust

As Bob Ulland sees it, the real reason the business has remained successful for more than 75 years is that "people like working with our people." The company has built solid relationships with customers and suppliers, and has created a sense of teamwork among its employees.

"We do what we say, and we've got people that really take pride in living up to that. We were fortunate to have really good leadership in the early years. The traditions they built and the values that were there have continued through a large group of people. We value our people, we think highly of their work, we develop them and give them the chance to do things."



Veteran general superintendent Orlin Ofstad, Jr. helps guide Ulland Brothers' construction and aggregate operations in northern Minnesota.

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Diversified contractor counts on skilled people

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Cully Hall,
equipment manager

Working as a team is essential for handling challenges, Ulland and Welch agreed. "There is a really high level of respect and trust among our people and we work hard at maintaining that," Ulland said. "That allows good communication and promotes teamwork."

"When we have problems, they're everybody's," Welch added. "We solve them together. The core group handles some problems and a bigger group deals with others. By solving problems together, they keep developing teamwork."

Over the years, Ulland Brothers has built a strong group of managers like Welch who bring many years of experience to their work. Vice president and general manager Ken Johnson heads the Albert Lea operation, with major roles also played by general superintendent Joan Rouse and senior estimators Jeff Carlson and Paul Stollard.

The general superintendent in the main office in Carlton is Orlin Ofstad, Jr., whose father, Orlin Ofstad Sr., worked side-by-side with Bob Ulland at the company for many years. The company's chief financial officer is Lance Strandberg. Curt Wercinski and Ryan Swanson are project managers and estimators for the northern operation. "We have numerous superintendents who have been with the company many years," Ulland noted.

Keith Mancina, who manages the crushing operation in northern Minnesota, Dave Beckel, the materials manager in the south, and equipment manager Cully Hall are among many others who deserve mention, said Ulland.

Ofstad, Jr., who started running parts for Ulland when his dad was a general superintendent, said the real credit goes to the people in the field. "The people who work for Ulland come back year after year. There's very

little turnover and they take pride in what they do. We put their stamp on it, not the Ulland Brothers stamp."

Rapid response

Long-term relationships are also an important reason Ulland Brothers deals with Road Machinery & Supplies Co., which has supplied countless pieces of equipment to the company over the years and helped maintain them effectively.

Bob Ulland recalled longtime RMS salesman Bob James, who began working with Ulland right after World War II and remained for 44 years. "He would come out here and we weren't going to buy anything, and then pretty soon he'd have an order for 15 belly dumps," Ulland joked.

For the past four years, veteran RMS Duluth branch territory manager Jim Gunderson has been Ulland's link to RMS. "It's fun to work with people who like to work and take really good care of their equipment," Gunderson said. "But it's the people — very good, quality people — when they say they want to do something they just do it. There isn't any guesswork."

"We are demanding," acknowledged Bob Ulland, "and we operate with a sense of urgency. We don't like to talk about getting something next week, but tomorrow morning. RMS has reacted well and provided good service."

Ulland's current equipment inventory includes a large fleet of Komatsu wheel loaders and excavators. During the past year, the company acquired three Komatsu wheel loaders — a WA800-3, WA450-5 and WA250PT-5, and three Komatsu excavators — a PC400LC-7 and two PC300LC-7s. The company also rented 15 to 20 Komatsu machines from RMS to meet its short-term equipment needs during the past two peak construction seasons.

Ulland chose the huge new 808-horsepower WA800-3 wheel loader equipped with a 14.4 cubic yard bucket because of its productivity and durability. It has also been popular with the operators. "The operator who runs it the majority of the time says the hydraulic system is unbelievable compared to what he used in the past," Welch reported. The company currently uses the big 220,000-pound-plus wheel loader at the company's crushing site near Virginia.

The excavators draw positive reviews as well. "The operators I've talked to say they're quiet," Welch remarked. "That was one of the first things they noticed. The machines are smooth, and the operators really like them."

Ulland marvels at the technological advances he has seen in equipment over the years, including

Longtime RMS
territory manager Jim
Gunderson (center) with
Ulland Brothers
president Mike Welch
(left) and chairman
Bob Ulland (right)





Ulland Brothers uses its Komatsu WA250PT-5 parallel toolcarrier wheel loader to stockpile material at the ongoing College of St. Scholastica project.

The operator of a Komatsu PC300LC-7 hydraulic excavator cuts a trench through hard rock as part of Ulland Brothers' large underground utility and site work project at the College of St. Scholastica in Duluth.

excavators. "Back in the days when they had cables, they were the machines you used as a last resort," he said. "But boy, the hydraulics have made them so versatile. Now they're a wonderful tool."

Ofstad, Jr. noted that changes in the industry work force have placed more emphasis on operator comfort. "With the newer Komatsu excavators we purchased this year, the operators are saying the cabs are quieter, easier to run, more productive. I've not heard one complaint about any of them."

"From a service standpoint, we have had great success with the Komatsu equipment," noted equipment manager Cully Hall. He's been with the company for seven years and guides a group of two mechanics in the Hibbing shop plus three field mechanics.

In addition to Komatsu equipment, Ulland has turned to RMS for a large number of other products over the years. In the last three years, the company purchased Blaw-Knox PF-5510 and PF-4410 pavers and Ingersoll-Rand DD-130, DD-24 and PT-240 asphalt compactors and an SD-115 soil compactor. They also bought a Grove RT528C rough-terrain crane, Load King 352 RPS LoBoy trailer and Broce Broom RJ350.

"The fact that RMS has such a full product line and has four full-service facilities in Minnesota, including Virginia, Duluth and Savage, near our Albert Lea operation, is a big plus," Ofstad, Jr. added. "We cover a big area, so having locations close to our operations is tremendous. This year we're really strong with work in the Virginia area, and it's outstanding to have a partner right in town where you can just run over and get some help."

Turning talented people loose

More than 260 Ulland employees, spouses and children associated with the company's northern



Crews from Ulland Brothers have recently been involved in two large street reconstruction and utility projects in Virginia, Minnesota. Here, the operator of a Komatsu PC400LC-6 moves material on a site along 9th Avenue as crews prepare to install pipe.

Minnesota operation celebrated the 50th anniversary of the company's incorporation at a picnic held last summer. "We had a really wonderful day," recalled Bob Ulland, who enjoys looking to the future even more than commemorating the company's noteworthy past.

"The group here has grown tremendously in the last several years, and it was fun to see all the young people around. There's a lot of ability among them. All they've got to do is learn that all the problems and all the opportunities are theirs. I'm a believer that most people can do things if you give them a chance. Just turn them loose. That's the way to make it go, I think."

Welch, too, predicts a bright future for the company. "I foresee Ulland Brothers growing in the future, possibly doing related work, but doing things we haven't done before — getting more involved with materials sales and the private, commercial and industrial sectors. As the heavy highway work comes back, we can switch back to doing that again. The growth potential is just like Bob said. If we want it, it's there for us."