

# Behind the Scenes

with Kurt Hertzog



## Penn State Industries

With origins of the family business going back to 1936, Penn State Industries was founded in 1952 as a commercial stationery business involved in both manufacturing and importing. By the 1980s, the owners, Marv and Ed Levy, began to see changes in that industry and opportunities in the woodworking tools and machinery industry. Having background and experience in making machinery from the stationery business, their first product in the new arena was a scroll saw, which was marketed as an affordable alternative to the existing products in the marketplace. Over time, the entire focus of the company was brought to the design and marketing of other portable tools, including benchtop items, such as drill presses, bandsaws, planers, dust collection, and more. They later expanded into full-size lathes. Throughout the mid-80s to the early '90s, they designed a host of products that were manufactured and imported for the home user.

In 1992, Penn State Industries (PSI) introduced the *Carba-tec* lathe into the mini-lathe market. Its huge success clearly indicated the need for products to be made on the lathe. PSI offered pens, yo-yos, bottle stoppers, chisels (their term for turning tools), small chucks, and more in support of the mini-lathe users. By the end of the '90s, the benchtop equipment sales marketplace was in a radical change with the expansion of the big-box stores. By this time, PSI had gotten out of all the benchtop tools and equipment to focus solely on woodturning and dust collection. With this dedication to a much narrower line, they created hundreds of turning items.

From 2000 onward, Penn State Industries has concentrated on the home hobbyist, specifically the woodturner looking for inexpensive equipment geared to the small shop. Their customers are typically looking for projects that can be completed in a relatively short time with little expense. This market for project kits for the lathe, accessories for the mini-lathe, and enablers for the craft is the target for PSI. They continue to develop chucks, chisels, pen blanks, tooling for the home user, mandrels, and more.

Back in the '90s, Penn State Industries reached their

customers by direct mailings, and their catalog at that time was 32 pages. They continue to do direct mailings, and their current catalog is 136 pages and published six times a year. PSI began their web presence back in the late '90s. Though they certainly use the web in their marketing, the Levys think that the catalogs and the space advertising is what sends their customers to the web to place an order. That said, they take full advantage of the web capability providing access to the 3000 SKU numbers in their catalog, a design studio allowing their customers to mix-and-match kits and blanks online to see the end result, and how-to videos about using their products and making the various kits. Of their current offerings, over 80% are penturning and lathe accessory items.

The Penn State Industries building is deceiving. Located in a small industrial park in Philadelphia, Pennsylvania, the look from the outside belies the size inside and the activities that are going on. Everything is done inside the four walls—the shipping and receiving, order lines, commercial sales, and product support. Also nestled away in various parts of the building are product development and testing, incoming product Q & A, catalog photography and creation, and instructional video photography. They have only one retail store and that is nearby in another small industrial plaza. That store features their tools, equipment, and a large array of kit offerings.

Where are they going next? Marv and Ed are hands-on managers, and they are the first people you see when entering the building. As a matter of fact, you literally walk through their offices to get to the other areas of the building. They are intimately involved with the kit ideas and design, as well as continued expansion of the mini-lathe project lines and accessories, along with the dust collection products. With a goal of adding 50 to 150 new SKU numbers into each new catalog, their current expansion into fishing rod kits, jewelry-making mandrels for crafters, and metal spinning tools, accessories, and projects will continue. You can see all the Penn State Industries products on their website at [www.pennstateind.com](http://www.pennstateind.com).



Fig. 1. Located in a quiet industrial park in Philadelphia, the Penn State Industries building appears deceptively small once you see what is happening inside.



Fig. 4. The product design for Penn State offerings is largely conceived, designed, and specified inside the company. PSI strives to offer at least fifty new SKU numbers in each catalog.



Fig. 2. Ed and Marv Levy are hands-on in their managing of the business. Intimately involved with catalog creation, product development, and day-to-day operations, their offices are the first two you pass when entering the building.



Fig. 5. All the catalog photography is done onsite. There is a photo studio set up in a loft overlooking the order fulfillment area that is used whenever catalog or advertising images are needed.



Fig. 3. Ed has a worktable in his office that has nearly every kit PSI offers within arm's reach. He also has the yet-to-be-offered designs at hand while he works on refinements.

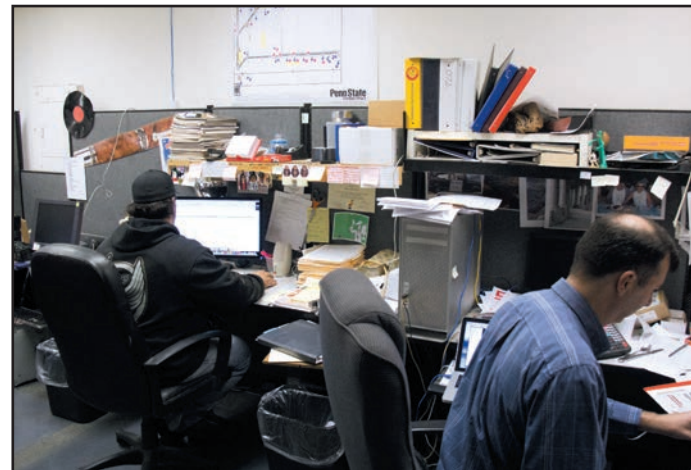


Fig. 6. With six catalogs of 136 pages created and mailed each year, catalog design and creation is a never-ending activity.



Fig. 7. The catalogs and the space advertising are the catalysts to send customers to the website for ordering. The Internet orders are processed along with the orders that still arrive by paper.



Fig. 10. The size of the building is deceiving from the outside. Inside, all the offices lead to the shops, labs, and order fulfillment, on the way to the vast quantities of bulk storage. With 3000 SKU numbers, there needs to be a place for everything.



Fig. 8. The order fulfillment department picks and packs orders for daily pickup by UPS. The most commonly ordered items are placed in the storage areas immediately adjacent to the packing area.



Fig. 11. The workshop houses the tools and equipment for product development and testing along with the incoming Q & A functions.



Fig. 9. From the "crow's nest," this is a look at the order fulfillment area and the staging of commonly ordered products, with overflow and bulk storage farther down.



Fig. 12. Incoming lots of products are sampled for testing to ensure compliance to specification.



Fig. 13. If you have run into problems with a kit or piece of equipment, you've likely spoken to Jerry Arnon in the technical department. Jerry is often the PSI representative attending the various trade shows.



Fig. 16. The store has most of the items out on display for close examination. The lathes, accessories, dust collection, woods, kits, and other products are out for the shopper.



Fig. 14. With only one retail store, certain PSI woodworking products are sold through select specialty retailers and industries by the wholesale department.



Fig. 17. With the huge array of pen kits and blanks available, you can spend considerable time browsing through the selection. Here is a sampling of the pen blanks on display in the store.



Fig. 15. The one and only "brick-and-mortar" Penn State Industries store is located in a small industrial plaza just northwest of Philadelphia.



Fig. 18. Visit Penn State Industries and you'll run into Ed and Marv Levy—the first people you see after walking in the door.