

## Fed Up and Heading to Idaho

By Mark R. Madler - 7/23/2007  
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### *One of a Series*

In taking his manufacturing company from North Hollywood to Idaho, Jim Glenn moves to a different climate.

Relocating Titan Spring & Wire Products Inc. to Hayden, a small town outside Coeur d'Alene, Glenn found a business atmosphere absent in his native California.

Once established in its new home later this year, Glenn anticipates a 66 percent cut in utility costs, a decrease to \$4 an hour from \$11 an hour in worker's compensation costs, and a market in which his employees can own their own home.



Leaving: Titan owner Jim Glenn.

The state will pitch in \$2,000 for the training of each new employee hired and will send someone to look over the company's equipment to make sure it's up to code prior to its being moved.

"I got a zoning change where we are building in a day," Glenn said.

Manufacturing has long been a pillar of the Southern California economy and more so in the San Fernando Valley. The region continues to be the manufacturing center of the nation, with the Valley having the third largest concentration of manufacturing jobs in the county, according to the Los Angeles County Economic Development Corp.

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So why would Glenn decide to move the company founded 50 years ago by his father-in-law from the North Hollywood location it's been at for a quarter century and take along 18 of the employees?

The simple answer is the expense of doing business.

Glenn doesn't use the word anti-business to describe the actions of lawmakers in Sacramento but he decries the laws and proposed legislation that affect businesses.

It's those laws that business people cannot change and eventually the nice weather of Southern California is no longer enough to want to stay.

A ballot initiative to roll back worker's compensation reforms, now in the signature-gathering stage, would end up costing Titan \$30,000 if it gets on the ballot and approved by voters, Glenn said.

Nor does he like talk from state lawmakers to mandate that employees provide medical benefits for employees. For decades Titan has provided health coverage but sees it as a perk to attract the best

workers.

“They don’t have a feeling for what you are going through, what your day-to-day challenges are but they are mandating something you are going to have to live with,” Glenn said. “I don’t think that’s right.”

All this makes it a good time for other states to lure away businesses from the Los Angeles area. Some 80 companies relocated to the Coeur d’Alene area alone.

“California makes it easy for us to do our job,” said Steve Griffiths, of Jobs Plus Inc., the economic development association for Kootenai County, which includes Hayden.

Jobs Plus did the number crunching used by Glenn in deciding to relocate to Idaho. The organization is excited about the move and looks forward to the ancillary businesses Titan will attract because of the products it makes for the aerospace, telecommunications and medical industries.

Titan will be setting up shop in a new 15,000 square foot facility to be completed in mid-September. The building was designed for the specific product Titan makes, down to the receptacles used by each corresponding machine.

Before all this could happen, however, Glenn first had to meet Bob Potter.

### **Lured Away**

Bob Potter laughs at the idea that he is a poacher.

“Sure, I guess,” Potter said. “A poacher; a predator.”

To continue with that analogy, Titan Spring is the latest trophy bagged by Potter; the 72nd company, to be exact, for him to bring up to northern Idaho and eastern Washington.

His first company to relocate was also from the Valley – U.S. Products, a manufacturer of rug cleaning supplies from Canoga Park. That was in 1989.

Wheelchair manufacturer 21st Century Scientific, Plastic Model Engineering and Build Industries followed from Van Nuys and Sylmar. Data Acquisition Labs and LCF Enterprises both went north from Camarillo. In 1994, Potter lured precious metals firm Wilkinson Co. from Westlake Village.

Potter, director of the Inland Northwest Economic Alliance, isn’t one to take no for an answer.

Potter and Glenn met three years ago at a medical products trade show in Anaheim. The two struck up a conversation in which Glenn listened to what Potter had to say but showed no interest in moving to Idaho.

Potter kept up contact. He called. He mailed out information and brochures. He kept the door open. Potter estimated he made 15 calls on Titan before Glenn showed interest.

Potter’s pitch came when the company was not in the right frame of mind to move. Glenn’s response was the same – forget it. Idaho has no ocean, no beach and it gets cold in the winter.

“I don’t do cold,” Glenn said.

Studies showing the cost savings of locating in Idaho peaked Glenn’s interest. He made a visit to the state in May 2006 and was impressed by what he saw. Glenn and wife Judy made a follow up visit. In September, the couple returned with a group of employees.

Titan picked up the airfare to fly the employees north. The economic development groups paid for lodging and meals and arranged for school and housing tours and a meeting with representatives of the Latino

community in nearby Spokane.

Of the 35 workers employed at Titan, 18 are relocating. Of those staying behind in the Valley, one has found work with a competing manufacturer.

The employees making the move are ecstatic, especially over the housing options, Glenn said.

“Up there the reality is they can afford a house if they can get the financing,” Glenn said. “They have workforce housing up there they are very mindful of.”

To prepare for the move, Titan is getting ahead with orders now. As 40 percent of the customers are out of state it's a non-issue to them that the company is moving – as long as they get their orders in time, Glenn said.

For the move, Glenn plans to pack up on a Thursday, with the least-used equipment going first and the most-used going last. A new computer system waits in Hayden. When everything is unpacked on a Monday, the company will be up and ready to go again.

### **Industry Reaction**

Good for you.

That was the response from David Goodreau when Glenn announced the Idaho relocation.

“He’s a good student of the game of knowing when to do something,” said Goodreau, the executive director of the San Fernando Valley chapter of the National Tooling and Manufacturing Association.

Those in the manufacturing industry aren’t surprised by Titan’s move or the reasons behind Glenn’s decision.

Brad Ward also knows Glenn and wishes him luck with his golf game.

To keep companies from moving, the state needs to show it cares about Titan Spring and other manufacturers and develop an overall strategy, said Ward, president and CEO of the Small Manufacturers Association of California.

After all, it’s a strategy taken by lawmakers – both state and local – to keep film production from leaving, Ward said.

“All I know is you are seeing the living proof statement of a ‘We don’t care’ attitude,” Ward added.

That attitude contributes to companies being open to listen to a pitch from a Bob Potter or Steve Griffitts.

Potter plans another visit to the Valley in August and already has one appointment lined up.

For manufacturers, it’s a matter of when they move from California, not if they move, said Glenn.

“We’re moving when the time is right. You don’t want to move when you have to,” Glenn said. “When you have no money and you can’t get a loan, that’s the wrong time.”