

Inside: Lists of the largest SBA loans and the largest SBA lenders.

\$2 PER COPY; \$20 PER YEAR

Crain's Small Business

January 1996

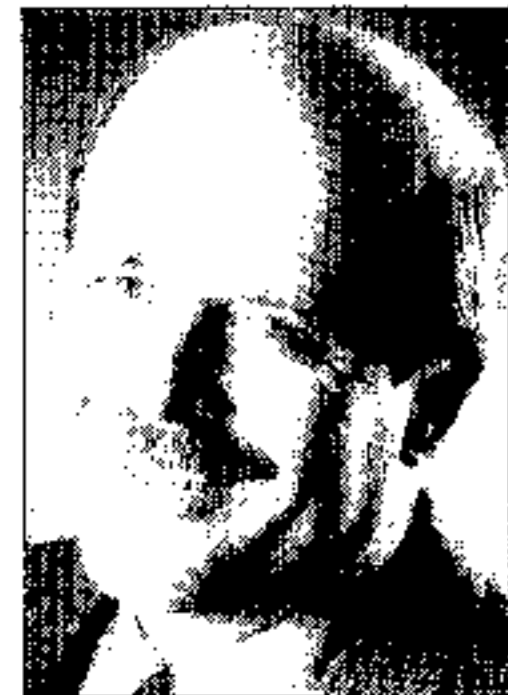
The voice for small business in Southeast Michigan

SERVING MORE THAN 55,400 SMALL-BUSINESS READERS EACH MONTH

■ DAVID GUILFORD

Daily grind pays off for high-school co-op student

Starting a business always involves taking a plunge. Joe Berry just plunged a little earlier than most people.



Guilford

In 1978, Berry was a senior at Dearborn Fordson High School. His father, Al, superintendent at a Dearborn Heights machine-tool company, was asked to buy a nearby cutting-tool grinding shop.

"He said, 'No, but I've got a son in the trade,'" Joe recalls.

"Then he told me, 'Go work there and see how it turns out.'"

So Joe became a co-op student at Tool Repair Co. He's been there ever since.

Joe had some feel for the business when he walked through the door. He'd been going to work with his dad since he was 13.

"I started to get my hands dirty back then," Joe said.

He spent his senior year learning the business of grinding the specialized cutting bits used in machine tools. And the summer after he graduated

from Fordson, he bought TRC — which had three employees — on a land contract.

"There wasn't a whole lot to it," Joe said. "The building was 14 feet wide and 68 feet deep."

There's considerably more to TRC today. The company — now TRC Tool Industries Inc. — has 50 employees, \$5 million in annual sales and occupies larger quarters in Melvindale.

From 1978 to 1984, Joe said, he knocked on doors and built the business to the point that Al joined the company. Joe's wife, Candy, and his brother,

Mike, followed.

With his dad running inside operations, Joe was free to find new business. Even though TRC had grown to 15 employees, "We were still just a grind shop," he said.

So he took another plunge, this time into distributing cutting tools.

"People would send us boxes of brand-new tools to modify. They'd have to cut a purchase order to the distributor and then cut a purchase order to TRC. Now they could make one phone call instead of two, and we'd do all the work."

Later, TRC diversified by buying a general machining company and added welding services. The company also provides engineering and technical support to customers. TRC will go to customers' plants to help them pick tools, design modifications and make sure work is done properly. And, of course, "We'll also recondition that tool, too," Joe said.

In effect, Berry has built a micro version of the integrated manufacturing operations of huge auto suppliers.

Of course, it helps to get an early start. **CSB**