



From Humble Beginnings - A Look Back Over the Last 60 Years -

The following is a retrospective interview with the founder of Perfection Spring & Stamping, Louis Kahn, when looking back from the Company's founding in 1955.

I cannot believe it has been nearly sixty years since I founded Perfection Spring & Stamping on April 1, 1955 when I was 28 years old. Now that I am 88, I can't believe how quickly time goes! How did it all begin? Sit down and I will tell you...

Prior to starting the company, I was 17 years old and serving in the U.S. Navy during World War II, after an early graduation from South Shore High School on Chicago's South-side. After the war I attended Loyola University to major in History from 1947-1951, while working at my father's "Fine Men's Clothing Store" called "Frey & Kahn". It was not long before I decided that the retail business and selling suits and ties was not for me. I left the store and joined the U.S. Army at the beginning of the Korean conflict, but did not serve overseas. Then, I met the girl of my dreams, Barbara, got married in '52 and have been together for the last sixty-three years. We took off for Bermuda with no job or plans for the future. Eventually, we "Ran out of money", and since we were hungry we decided to return to Chicago and find a job. In 1953-1954 I sold canned food by day and signed-up for a trade school at night to learn a skilled trade as a Tool & Die Maker apprentice, graduating one year later. During that same year, my Aunt Fannie retired from a Company that remains a friendly competitor to this day. With her guidance, I started "Perfection Spring Manufacturing Co." with two employees, me and Aunt Fannie. With \$5,000 in capital, I purchased one coiling machine and a very-very used four-slide machine. With some old tool room equipment purchased at an auction I setup the Company in my garage went to work.

It was just the beginning! I would try to sell during the day and make it at night. My wife Barbara would assist by running the machines during the day, and I would go on the road trying to drum up business. Aunt Fannie worked on the office responsibilities; bills, invoices, mail, book keeping, things like that. There wasn't any payroll to deal with because we did not make any money for the first six-months and therefore received no pay. Seven-day weeks were the norm, but I would always try to take Sunday afternoon off to keep our sanity. We had a goal to succeed because I did not want to go back to selling suits at my father's clothing store! My hands got dirty during the day and I liked that! I was actually "Building something"!

Our first customer out of the "Pulaski Avenue Garage" was A.B. Dick Co. I remember before shipping the parts I would go over to their plant, sneak in the back door, and use their comparator to check the quality of the parts. We did not have, nor could we afford, our own quality testing equipment. If the parts checked good, I would then back my car up to the receiving dock and deliver them out of my trunk. Our first Slide-job was for Admiral Corporation, a Company which produced televisions and appliances. I remember tooling the job with what little equipment we had. I would, on occasion, sneak in the side door at A.B. Dick and use their comparator to check the tooling I was making for Admiral. If they only knew...

After six months, we hired two additional people, a toolmaker and a coiling setup man. At that time the minimum wage was \$0.50/hr., which wasn't so bad. Right around that time, we landed our first big customer, Webster Chicago Corporation. With WebCor, as they called it, we reached \$300,000 in sales after being in business for one year. We were so happy we went out and finally purchased our very own quality comparator!

Our next large customer came to us when we started doing business with Voice of Music, also known as "VM", in Benton Harbor, MI. They also produced phonographs, but they are also long gone. Interstate 94 wasn't built yet, so to get around the lower half of Lake Michigan at that time, we had to get there on a small two lane highway now called Blue Star Highway. It was an all-day event to visit VM back then, but we did it every couple of weeks. I am convinced that face-to-face business is the only way to do business. We had some rapid growth with VM over the years which turned out to be a great customer over the years! Back then, we did not work on contracts or purchase orders. Business was done with a "Handshake deal", and both companies always lived up to the agreements. It was a great way to do business and I am sad to see that business is not conducted that way anymore today.

After five years in business, we finally left our garage and relocated to a real live "factory". We hit the one million dollar mark in 1959 and I thought that we had reached the summit. We then moved into a 15,000 square foot building on Elston Ave. in Chicago.

It was back to seven-day workweeks for a while. I wired the building for our electrical needs, because I could not afford to hire an electrician, built the tool room benches, built the offices and did all the other construction needed to increase our sales. This occurred during my free time, which was usually from 8-11 pm. It was about this time that I realized that my college degree in "History" from Loyola was not really helpful. We added our first punch press and changed the company name to what it is today, Perfection Spring & Stamping Corp. The move and expansion allowed us to build our customer base. Bell & Howell, Heath-Kit, Warwick Television and RCA were some of our new customers. RCA turned into our largest account until the early 1980's.

In 1966, we moved to our current location in unincorporated Cook County. We built a 30,000 square foot building on a two-lane county road named Algonquin. Except for the soybean farms surrounding us, the only other sign of life was the Waterfall Restaurant (Which is now Mr. Beef & Pizza) and the executive building of United Airlines. When I say lonely, I mean LONELY! I remember United inviting us over for lunch just to get to "know the neighbors". Everyone thought we were nuts. There was nothing out here! No vendors, no customers, nothing. But they had just finished Interstate 90 a few years before and we had a vision that the business would be moving out of the city in this direction. I guess we were correct. Two years later in 1968 we added an additional 40,000 square feet on to the building, which is currently our Punch Press Department and raw material storage area.

Over the years we have had sustained growth. We have had our share of the good times and bad. We struggled through the double-digit inflation of the 70's. We survived the recessions of '58, '73, '81-'82, '91 and 2002. We are still fighting off the effects of the disastrous 2009 recession and the drastically slow recovery since then. To survive the '81-'82 recession we were forced to sell our extra land on the west side of the building. This is now the Fire Department and strip mall adjacent to our plant. Many of our current employees still remember the "Flood of '87" prior to the deep-water tunnel project being built. The plant and offices were under 3 feet of water! We rose above the floodwaters and rebuilt every motor and controller in the building without missing any customer deliveries.

It is amazing to think what we went through over the years! We made it because we never altered my founding business philosophy, Integrity, honesty, hard work, persistence. You can't go wrong with that. We had a vision and were always a step ahead of our competition. We had SPC in place when most of our competitors didn't know what SPC was. We had computers in place when most of our competitors did not even have fax machines. We had CNC Coiling equipment when most of our competitors were still doing their looping and trimming manually. To continue to thrive, Perfection needs to adapt, change, reinvent itself and never believe that "Good enough is good enough."

I retired in 1991 with great pride, as I handed the company off to my sons, David and Joshua, for a second generation to set the new direction of the Company. Now with my granddaughter Rachel joining the Company, I know the legacy will continue into a third generation. I am so proud to continue to watch the company change and grow, emerging to even higher level of achievements than I had ever imagined. The average life expectancy of all Companies is only 12 ½ years, according to one study, and the average life of Fortune 500 Companies is 45 years. With our 60th year in business, we join an elite fraternity of companies. So, I would say we have done pretty well by comparison. There is so much more to come as David, Joshua, and Rachel share my vision and continue the legacy long into the twenty-first century. As Chairman of the Board, I owe a debt of gratitude to all those that helped Perfection

become what it is today. I am proud of every person that has worked for me, and thank them with all of my heart for their efforts, dedication and passion.



*Louis S. Kahn, Founder
Joshua, Rachel and David Kahn*