



## NORMAN PESTKA CONSTRUCTION, INC.

### How this Michigan company has adapted over three decades to stay successful

**E**ven after more than 30 years in the construction business, Norm Pestka can still hardly wait to get to work each day.

As owner of Norman Pestka Construction he begins work at 6 a.m. and his cell phone rings almost nonstop throughout the day. He pauses for dinner around 6 p.m. before heading back out to check on projects, meet with people or work on little jobs.

While such a schedule sounds exhausting, Norm relishes it. "I don't think of my job as work at all," he said. "I like what I do. I've never followed anyone's format for running a construction business. I've always done it the way I thought I should in order to make a living."

Based in Ontonagon, Michigan, near Lake Superior, the company has two divisions – Pestka Construction and Northern Land & Sales.

#### Variety of projects

Peskta Construction does road-building work, most of which comes from the land development arm of the company. It is also contracted to handle the daily operation of a small private landfill in Ontonagon, which involves trenching, covering waste, backfilling, seeding and mulching. In addition, it is involved in the leveling off and closing down of the White Pine Copper Mine in nearby White Pine.

The biggest growth in the company has come from the Northern Land & Sales division that Norm started in the early 1990's. Through this division he purchases land, typically between 8,000 to 10,000 acres. The property is split into parcels of 80- to 200- acre blocks for housing development or hunting reserves.

Through his company, Norm also does a great deal of philanthropic work for handicapped kids organizations. His son, Dan, was born with cerebral palsy and was unable to walk until he was seven years old.

One organization that benefits from Norm's generosity is Bay Cliff, a summer camp that serves about 200 youth every year. "If they need a blacktop surface, a rain system or lawn mower, I'll take care of it," he said. "The camp provides a great experience for these kids."

Norm was also instrumental in making it possible for disabled kids to have another fun outdoor experience. When Norm had a pond dug next to a log cabin named Camp Josh that he constructed in Ontonagon, he stocked the pond with fish and constructed a large wheelchair-accessible dock and beautiful pier. Thanks to his efforts, these children now have the opportunity to go fishing.

"I'm very lucky to be able to do this," said Norm. "It's a legacy that can go on forever."



Norman Pestka Construction, Inc. founder and President Norm Pestka (center) with his sons Pat (left) and Dan.



An operator puts a Komatsu PC300LC-6 excavator to work at a landfill operation located at the White Pine Copper Mine.

### Family operation

Pestka Construction and Northern Land & Sales are family oriented businesses. Norm's son, Pat, is a partner and has worked for his father for as long as he can remember. Today his responsibilities range from foreman to equipment operator to truck driver.

"I can be a boss one day and a shovel operator the next," noted Pat. "And I like that. I definitely don't get bored that way."

His son, Dan, is a superintendent, and Norm's brother, George, is an operator and bids some of the company's small jobs. George's daughter, Renee Pestka, oversees the land division.

Norm has 20 additional employees, many of whom have been with him for more than 20 years, including office manager Linda Bussiere, operator Rusty Jousma, driver Todd Dishaw and mechanic Norm Perander.

Finding good employees is a constant challenge and will be a bigger one in the future when many of the older employees begin to retire. But persistence has paid off for Norm in the past and he believes it will in the future, too.

"We've gone through some tough times but I've never given up," he observed. "That's a big reason we're still in business today."



Norm Pestka uses a Komatsu D38E-1 dozer to smooth a ditch on a job near U.S. Highway 64 west of Ontonagon, Michigan.

### Starting Out

Norm founded his company in 1968. Fresh out of the Army, he went to the bank to try to secure a loan of \$3,300.

"I didn't have any money but the banker gave me the loan because my father, who was a lumberjack, had always repaid his loans," recalled Norm. "I bought a little chipper and a pickup to brush power lines for power companies on the weekends. I also had a full-time job putting up cable TV wires to make sure I could repay the bank."

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# Hard work is firm's "best advertisement"

After about a year, Norm decided to focus all his energies on his business. By the late 1970's, his company had 125 employees and nine divisions including building, logging, trucking, black-top and cement operations. He was doing business in Pennsylvania and Indiana and had a construction operation in Florida too.

When the bottom fell out of the economy a few years later and interest rates skyrocketed, Norm was forced to downsize and close some divisions. He's comfortable with the size of his business today.

"It's much easier to manage," he noted. "We take on a half-million to million-dollar contracts, and along with the land development, we're staying busy."

## Equipment keeps running

To keep projects moving along, the company's fleet of dozers, excavators and loaders include Komatsu machines from Bark River Culvert & Equipment, in Escanaba.

Norm typically buys used Komatsu equipment from Bark River and has been pleased with its performance. The company recently purchased new the Dressta TD12 and Komatsu D38 and PC300.

"We used another company's dozers for 15 years and we were either fixing final drives and steering clutches or welding cracked frames," he said. "We haven't had to do any of that on the Komatsu dozers. Norm Perander does a good job of maintaining the machines and they just keep running and running."

At the White Pine Copper Mine, operators are using a Komatsu PC300 excavator with over 17,000 hours on it. According to Pat, the only thing that has had to be done to the excavator is replace the bearings.

The fleet also includes a Dressta 540 wheel loader used to build rock roads and log camp sites. "This machine has over 20,000 hours on it and we've had no major mechanical problems with it," noted Pat. "It's just an excellent, excellent machine."

The Pestkas also like the service they receive from Bark River and territory manager Steve Holm. "I'm from the old school where my word is my bond," said Norm. "I like to be able to call Steve or Carl Fassbender and work out a deal over the phone. I can sign the paperwork later."

## Looking Ahead

Ten years down the road, Norm would like to still be working in the business but not running the day-to-day operations. He'll be 65 by then, and plans to turn the reins over to Pat while he works out in the field or spends more time hunting.

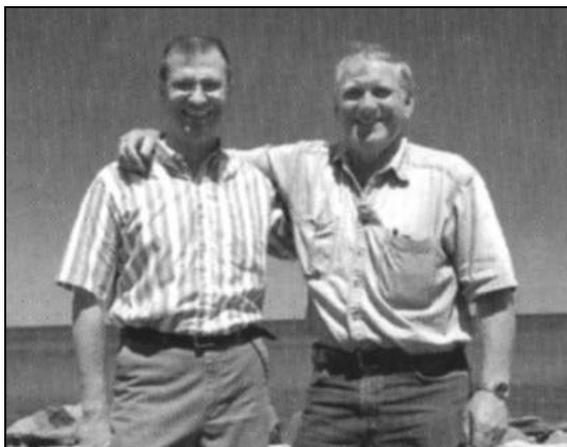
Pat would like to keep the company about the size it is now. "It's easier to keep track of jobs because we're not scattered all over," he noted. "We'll continue to focus on land development because that has done very well for us the past four or five years."

Pat feels he'll have some big shoes to fill when his father begins to turn the company over to him. "The business has been successful because of all the time and work my father put into it," he said. "We'll just continue to do good work and that will be our best advertisement."



The company has received outstanding performance from its Komatsu WA380-IL wheel loader.

"The machine has over 20,000 hours on it and we've had no major mechanical problems with it," said Pat Petska. "It's just an excellent, excellent machine."



Norm Pestka with Bark River sales representative Steve Holm.