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## Forced sale gives Wiza Industries a new start



**Mark Hoffman**

**Andrés Reyna cleans off a part before doing additional machining on it at Wiza Industries in Muskego. After running into financial trouble, the company got a new start when it was bought by World Class Group of Weyauwega.**

By [Rick Barrett](#) of the Journal Sentinel

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Wiza Industries, a Muskego manufacturer that previously employed almost 300 people, has been acquired by a Weyauwega company that is part of an alliance of northern Wisconsin manufacturers.

The selling price was not disclosed. But the buyer, the World Class Group, said the deal includes Wiza's equipment, inventory and a one-year lease with an option to buy the company's three buildings.

World Class makes parts for a variety of companies, including Oshkosh Corp., and has facilities in Weyauwega, Menasha and Bayfield.

The acquisition, done through a bank-forced sale, more than doubles the size of World Class and gives it almost 200 more automated machines used to make a variety of metal products.

"There's a lot of technology at Wiza that we didn't have," said Bob Peltonen, World Class chief executive.

Not long ago, Wiza was doing well. A maker of parts for construction equipment, truck manufacturers and others, it had 265 employees and almost \$60 million in annual revenue from a variety of customers, including Deere & Co.

But last September, a poor balance sheet and pressure from Wiza's lender forced the sale of the company. The factory was scheduled to close Dec. 31, but World Class negotiated a deal to buy it and keep the plant open.

The sale closed this week, giving Wiza a fresh start.

"Now we have a clean balance sheet and are not at risk of going out of business," said John Tuzzolino, a Wiza executive, formerly vice president of sales.

It's too early to say whether the company will regain its status as one of Muskego's largest manufacturers. Yet the sale of the company kept some work from migrating to Mexico, China, India and the United Kingdom, according to company officials.

"Our business will not leave Wisconsin. Our locations are here, and that's where they are going to stay," Peltonen said.

With the sale, Wiza becomes part of the North Star Manufacturing Alliance.

Based in Ashland, the alliance comprises four manufacturers that have pooled their resources to compete for contracts.

World Class is one of the founding members. The other three northern Wisconsin members are Ashland Industries, Washburn Iron Works, and Eagle Forge Co.

Their products and services include metal fabrication; steel and aluminum forging; machining; mold, die and pattern making; welding; paint and powder coating; prototype development; layout and design; and assembly, packaging and shipping.

For many customers, it's one-stop shopping, where all of their needs are met by the four companies, Peltonen said.

"We can do complete projects for someone on a single purchase order," he said. "United, we can offer a lot of services at a lower cost."

The alliance doesn't have much of a bureaucracy. A handful of managers get together for lunch once a week, talk about work in progress and review job prospects.

"We are as good as anyone, partly because we can do things quicker with less lead time," Peltonen said.

It's a promising business model because each company charts its own course but also benefits from working with the three partners, said Tom Still, president of the Wisconsin Technology Council.

"I think it's a good example of enlightened self-interest," Still said.

Through the acquisition, World Class will be able to pursue work from original equipment makers such as truck manufacturers.

The company is trying to reverse what happened in the bank-forced sale, in which equity holders and creditors were left with nothing.

"Fortunately, some of the customers stuck with us during the process," Tuzzolino said. "Now we have to rebuild relationships and promote the additional capabilities of the company."



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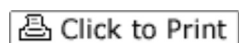
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