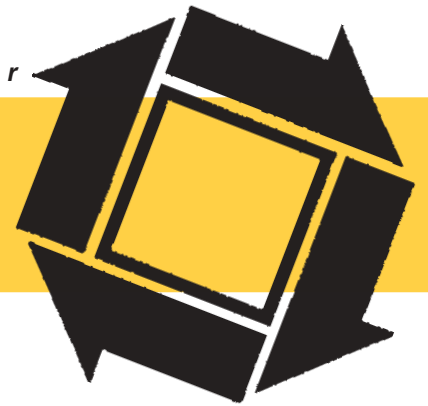


# SMALL BUSINESS REVIEW



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## SUCCESS STORY

# It's not all just lights and sirens

An electrical engineer one day and the owner of a custom fire apparatus company the next. In all reality, it may not have been that quick. But, when Raymond Plunkett graduated from University of Tennessee with a degree in electrical engineering, he never dreamed of owning a company like M&W Fire Apparatus in Vinton.

Upon graduation, Plunkett attended a management program at a plant in North Carolina. After about five years, the plant took a turn away from electrical engineering and Plunkett took the opportunity to become the head of a maintenance crew. When a job opening became available in production, he decided to go back to school and work towards being an operations or plant manager. In 1998, Plunkett began another job and enrolled in a Master of Business Administration (MBA) program at Wake Forest University. Over the next 32 months, Plunkett learned how important it was for him to structure his family, school, and personal time and to stick with it. He explains, "What



*Custom Roanoke City Fire-EMS Apparatus completed by M&W Fire*

drove me wasn't the money, it was the fact that it was taking time away from my wife and boys. I can always make more money, but you can't make more time."

After finishing the MBA program, Plunkett thought, "You know, I would like to have my own thing." Plunkett felt he was ready to look for a company to possibly acquire. Plunkett and his wife had made some smart financial decisions and were in a place where they could handle a challenge like this. He started talking to business brokers and met a man in Greensboro whom he trusted and worked well with. Plunkett remembers, "When I was looking for a company to acquire, I had a short list of what I wanted and a long list of what I didn't want." He wanted a company with

a good product, a good customer base, and good cash flow. He didn't want to deal with mass merchandisers, fast food, convenience stores, or restaurants. He also didn't want a complicated product. Plunkett joked, "Oddly enough it ended up being a complicated product in a complicated industry." Plunkett and his broker began looking at several companies and soon after decided M&W Fire Apparatus was the one for him.

Doug Widner and Barry Mays had owned M&W Fire when Plunkett came across it. The duo struck out on their own in 1992 when their parent company, Grumman Emergency Products, decided to shut down. M&W Fire was created to carry on the tradition of quality built apparatus. Widner was president of the company and Mays ran manufacturing and servicing.

Plunkett met Widner in January 2002 and he liked what they had, a niche company custom building fire trucks instead of putting out a program truck. Plunkett explained, "Their niche was, we'll build anything as long as it's possible."

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# Plunkett

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He also found it interesting that they were dealers of Osage ambulances, servicing emergency apparatus, and sold loose turn out gear and spare parts. Plunkett saw a small output in a large market and was ready to take the challenge. "Six months later, we inked the deal in Maryellen Goodlatte's office," said Plunkett. As part of the acquisition of M&W Fire, Widner stayed on for three years to help in the transition. Plunkett relocated immediately, while his wife and three sons followed about a month later.

After settling in, Plunkett came to a bump in the road. "After a company has been around for three years and has three years worth of financials, everyone says okay, you're alright, you've made it passed and you're are expected to look like companies that have been in business for 30, 40, or 80 years," explained Plunkett. His problem came about when he needed access to more capital to take the company to the next level and his financials didn't look like the older companies. Plunkett clarified, "The questions kept circling and [the bankers] wouldn't tell me whether my numbers

needed to go up or down. I knew how to figure the numbers, but I didn't know where they needed to be for the banks. Give [me] a target to shoot at and I will get there, but I couldn't get that."

At that point, Melinda Cox, a Roanoke Regional Small Business Development Center (RRSBDC) advisory board member, put him in touch with the director of RRSBDC Roy Baldwin. Plunkett met with Baldwin and explained where he was and where he needed to go. Baldwin advised Plunkett on several different topics including different avenues available to gain access to capital. "Working with Roy, we were able to better understand what our balance sheet and income statement looked like and what it meant in the eyes of a financial institution," explained Plunkett. Baldwin advised him on what a traditional financial lending institute was looking for and how to see where they were as far as peer rankings. "Talking with Roy helped me with my business plan, my off sheet company profile, and other financial numbers," explained Plunkett.

After meeting with Baldwin, Plunkett decided on a slightly

different approach to finding a banking relationship. Plunkett would approach a bank and when they asked for his financials, he asked them to come and visit with him first. He would give them a tour, have the banker meet employees, go over the company profile, and then give them the financials. Plunkett describes the numbers being only half of the story. The other half is how the bank feels about you and your business. It took Plunkett two tries and a few weeks to find the perfect banking relationship for M&W Fire. Today he seems very pleased with the financial relationship he developed as well as the decision he made to seek advice from the RRSBDC.

*For more information about M&W Fire, call (540) 343-3323, email [info@mwfire.com](mailto:info@mwfire.com), or visit [www.mwfire.com](http://www.mwfire.com).*



**Roanoke Regional Small Business Development Center**  
210 S. Jefferson St., Roanoke, Va 24011  
[www.rrsbdc.org](http://www.rrsbdc.org)  
Tel: (540) 983-0717 ext. 239  
Email: [sbdc@roanokechamber.org](mailto:sbdc@roanokechamber.org)

