

The Finishing Touch

Touch Adjust Clip Co., Inc.



▲ Touch Adjust specializes in findings—miscellaneous small items used to make several products.

When people in the awards and engraving industry think about exciting products, the pins on name badges or magnetic clips probably aren't the first things to come to mind.

That's OK, though. When Touch Adjust Clip Co. opened for business in 1965, this market was not on the radar of founder Richard Haug, either.

It took his son, Dick Haug, the company's current president, to make the connection between the findings (miscellaneous small items used to make several products) Touch Adjust was already manufacturing for the jewelry industry and the need for bar pins, clips and other fasteners for name badges.

Today, the company boasts of making these oh-so-necessary components for many of the industry's largest badge suppliers. In recent years, the firm has also offered items such as ball chains, engravable brass, gold-plated and stainless steel plates and wall hooks to the promotional products market.

Although some of its newest offerings are imported—rather than manufactured at the company's Bohemia,



▲ Touch Adjust Clip Corp. principals (from left) Vice President Rick Haug, General Manager Frank Grande and President Dick Haug

NY, plant—Rick Haug, the company's vice president and the third generation of his family to work there, says the Haugs have no plans to become strictly middlemen to the industries they serve.

As a company that has prospered by diversifying its line, Rick Haug says Touch Adjust remains committed to finding or designing and making the best solutions to fit its clients' needs.

Custom Skill Sets

Although the Haugs don't stress the fact, Touch Adjust Clip truly is one company that has been able to blend Old World craftsmanship with American pride into several first-rate products.

Richard Haug, the family patriarch and a native of Germany, went through an apprenticeship program in tool-and-die making. Once in the United States, he worked as a tool-and-die maker for several companies in Pennsylvania before moving to New

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STATS

Touch Adjust Clip Co., Inc., Bohemia, NY

President/Owner: Richard "Dick" Haug

Phone: 888/571-8222, 631/589-3077 **Fax:** 631/589-7489

Web site: www.touchadjustclip.com **E-mail:** sales@touchadjustclip.com

Specialty: Badge and jewelry findings **Biggest-Selling Product:** Magna-Clip line

Philosophy: "Continue changing with the times to keep meeting our customers' changing needs."

Five-Year Business Goal: Offer a broader product line incorporating more products the company manufactures itself.

Greatest Success: Pressure-sensitive and plastic attached findings **Hottest Product:** Magna-Clip 25

York, says his grandson, Rick Haug.

"Once he came to New York, he worked for a company called Metal City Findings, which is also still in business," says the grandson. "For quite some time he was their head tool-and-die-maker."

In 1965, the senior Haug decided to strike out on his own. Touch Adjust Clip began in the basement of the family home in Lynbrook, NY, with a pair of power presses and a single customer—New Hermes. It pretty much stayed that way until 1969, when Richard asked his son, Dick, to join him in the business.

Rick Haug says that his own father was familiar with the tool-and-die field from vacations spent working for his father. However, Dick Haug had taken a slightly different career path, finishing college and becoming an industrial arts teacher before going to work for what was then Grumman Corp. as a recruiter.

Rick Haug recalls that period as not an easy one for his father. By that time, Dick Haug was supporting a son and two daughters—another daughter was born later—and he took a cut in salary to work for his dad.

"He had to work two jobs at the time," Haug recalls. "He did this during the day and also worked at night to help pay the bills."

Plus, Dick Haug had been brought in to expand the company and his son says there were plenty of growing pains, a fact he attributes to personality clashes between his father and



▲ Customer service representative Melissa is also in charge of order processing.

grandfather.

"It's easy now to look back at it and say that it was all worthwhile because we have a very successful business," says Haug. "But, that initial transition was not easy."

Early in his own career with Touch Adjust, the younger Haug acknowledges going through some generational clashes of his own, "but nothing as bad as what my father went through with his father."

The problem was that Dick Haug wanted to grow the business by broadening the customer base beyond the single customer with whom Richard had launched the company.

"At that time, a lot of our growth came from word-of-mouth, because we didn't advertise for a long time," says Rick Haug. "Eventually we started to do some trade shows, mainly in the costume jewelry findings business. Costume jewelry was the direction Touch Adjust was going in for a long time."



▲ Inventory processing clerk Hector scale counts badge attachments.

Dick Haug definitely got the company growing. The first move was out of the Lynbrook basement and into a 1,200-square-foot building in Hicksville, NY, that his son describes as being large enough to hold the foot presses used to assemble the pins and clips the company was making, but not much else.

By 1975, Touch Adjust relocated again, to its present spot in Bohemia, NY.

"When we moved here, we were in a building that was only a little bigger," says Haug. "We ended up purchasing the property next to us and building onto our building to get to the 12,000 square feet we are now."

What really propelled the company's growth was Dick Haug's realization that the company's staple products could be used in manufacturing items besides costume jewelry, although his son doesn't think he

"Diversity is the number one reason why Touch Adjust is where it's at, and that's why we're as strong as we are today."

—Rick Haug

had some mystic revelation about name badges.

"I think it was just something he thought our product line would work well with," says Haug. "He just saw it was another avenue to sell our product. If you'd ask him to look back and say, 'Did you ever expect it to do this?' he probably would say that he didn't. But, it worked out great and it was a very good move for us."

More Right Moves

Rick Haug's involvement with the company dates back almost as far as his father's more formal relationship with Touch Adjust. As with many other people whose older family members own a business, he began doing a little work for his father and grandfather starting at the age of 9.

After finishing high school, Haug made a couple of starts at a college education, but didn't complete a degree.

"I started taking some of the basic courses for an associate degree, but after awhile my grandfather said, 'If you're in this business you don't need to go to college and study English and all that stuff, go to a technical college,'" Haugs says. "So I started working here full time and going to school at night in a mechanical engineering program. After about a year of that, my grandfather said, 'I can teach you more here than they're teaching you at school.' So, I started working under my grandfather as an apprentice instead."

Haug says that decision allowed him to work side-by-side with his grandfather for about a decade before the senior Richard Haug passed away in 1991.

"If I learned 1% of what he knew, it was a lot," Haug says. "You'd think 10 or 11 years is a long time to learn something, but there was so much more that he knew that I wish I would have learned before he passed away."



▲ Touch Adjust Clip Corp.'s manufacturing department



▲ Production supervisor Don packs an order.

As it is, Haug says Touch Adjust is "a traditional type of machine shop." And, while his official title is vice president, he's quick to add that doesn't really give a good picture of his duties.

"I've done everything from cleaning toilets to fixing dies and keeping the machinery running," Haug explains. "My responsibilities are anything from A-Z."

Fortunately, he adds that he's aided in those efforts by his brother-in-law and right-hand man, Frank Grande.

"We struggle with a title for Frank," he says. "Just like I'm in charge of doing whatever needs to be done, he's pretty much the same. If something needs to be done, one of us is doing it."

It's that same get-the-job-done attitude that best typifies the evolution of the company.

Haug says his grandfather is proba-

bly best known for developing a die for a woman's ear clip that allows the tension on the earlobe to be adjusted by touching the clip (hence the company's name). From that, it wasn't a far step to using the same die to develop clips that allow a badge to be fastened on a pocket or lapel.

In much the same way, he says his father was cleaning one of the company's machines when he observed that the solvent he was using allowed two pieces of ABS plastic to quickly bond together. The result was the company developed a whole line of items using the bonding process to show to its customers.

"That really gave a big start to our being in the badge business," Haug says.

These days, a lot of the company's ideas still come from within the ranks of Touch Adjust employees, which today number about 20.

"It doesn't matter if it's my father, myself, Frank or even one of the secretaries here," he says. "If somebody comes up with an idea, we go with it and see what we can develop with it. A lot of ideas actually come from customers or perspective customers who say, 'I'm looking for a finding to do this; what can you do?' That's when we start thinking and try to come up with solutions."



▲ Susan, the company's office manager.

Haug says there's nothing more upsetting to the folks at Touch Adjust than being told that someone was looking for a particular finding and went elsewhere to find the item.

"A lot of people say, 'We didn't know you did that,'" he adds. "Then, we try to educate them. We tell them, 'Anytime you have a need, please call us. If we can't find it—if it's something that isn't already being made—it might be worth our while to try and develop it so we can satisfy the customer.'"

Still Evolving

Satisfying its customers has always been a key part of the Touch Adjust

Supplier Profile *continued...*

Clip philosophy. It's just that as the company approaches its 40th anniversary, it's still evolving in terms of the best ways to do that.

For instance, Haug says he would never have guessed that magnets would replace pins and clips as the company's biggest seller. However, the business now offers about 15 different versions of its Magna-Clip line and the demand is still growing.

"We started out with magnets quite a few years ago, before the big push came," he says. "Those magnets were bigger and not as strong as what's available today. When this new generation of magnets came on the market with less weight and stronger attraction, we realized there was pretty much an endless number of uses for them."

Today, he says it's not uncommon to get a call from someone who will ask for a stronger magnet with a smaller plate, which Touch Adjust will then turn around and develop. Haug believes part of the reason for its boom in magnet sales is that although the company buys the components overseas, the magnets are assembled at the Bohemia shop.

Importing components, and even finished products, is a fairly new approach for Touch Adjust.

"As a domestic manufacturer, we shied away from doing that for a long time," Haug says. "In fact, people would ask us about it and we'd tell them we didn't do it, or we'd hear, 'We like your product, but it's more expensive than the imports.' Rather than lose the business, we took the attitude that

if you can't beat them, join them."

Today, the company has what Haug believes is a fairly extensive line of imported products. He also realizes that while imports have hurt the manufacturers, they've helped end users because they're getting less expensive products.

Still, he says the family is committed to not becoming just another importer.

"My grandfather developed this business as a manufacturing company and he'd want to see it continue as a manufacturing facility," Haug says. "In the future I'd like to have an even broader product line than we do now, but I'd like to be able to actually manufacture the product rather than just buy and resell it."

Along with offering some imports, the company has recently opted to expand its advertising to let more people in on the Touch Adjust line.

"We started advertising about a year-and-a-half ago," Haug says. "Until then, we had always had a philosophy that we didn't want to advertise in the same publications as our largest customers because we didn't want them to feel we were trying to steal their business."

Even with those large customers providing a solid base for the business, during the current economic slowdown, Haug says the family came to the realization that there was a need to get the business' name in front of more prospective buyers.

"Even after almost 40 years in business, there are still people who don't know who Touch Adjust is," he says. "They don't realize we have items that people are looking for."

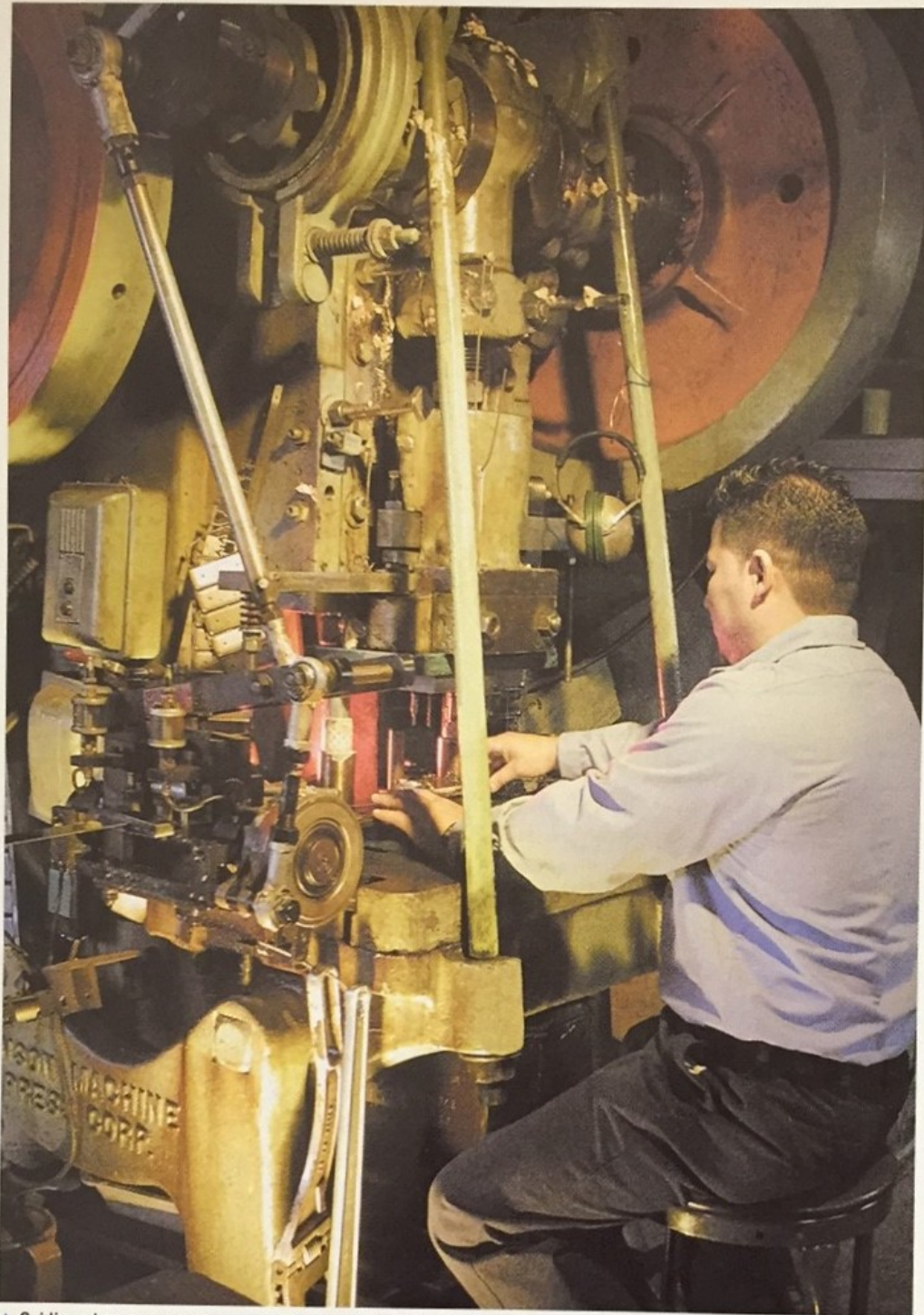
Wanting to be fair, Haug and Frank Grande were sent out to meet with the company's large customers and explain the situation. And, Haug says although many of them didn't like the idea, they understood why it was being done and the company has been able to maintain its relationships.

Of course, he adds that having a Web site is also increasing the number of people who know about the company.

"The Internet is proving to be a very big tool for us," Haug explains. "We get requests for catalogs and samples every day. Like a lot of people we were reluc-



▲ A Touch Adjust employee manufactures jeweler pins and bar pins.



▲ Ovidio, a heavy press operator, stamps out metal frame badges.

tant to get into it, but the Internet has kind of taken over our world."

In a business climate where an aversion to change and growth can be critical—if not fatal—that's a problem the Haugs seem to be avoiding with considerable skill.

For instance, the fourth generation to bear the name Richard Haug spent part of his summer vacation working at Touch Adjust. His proud father says 15-year-old Ricky is a good worker and interested in the business. He also has two younger sons, but Rick Haug says he wouldn't be surprised if his

daughter ended up running the company some day.

"We've succeeded because we've never had a problem diversifying," Haug concludes. "Diversity is the number one reason why Touch Adjust is where it's at, and that's why we're as strong as we are today. You never can just sit on your laurels. I want to keep developing this business so it's here for my children if they want to be a part of it." ▲

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