

LEADER PROFILE

RICH CROCE VIKING INDUSTRIES | WITH HV MFG STAFF

LEADING THE FUTURE OF PACKAGING INNOVATION

In an office filled with corrugated boxes of all shapes, sizes and colors, where the walls are covered with both photos of family members and poster-sized blueprints of a \$16M facilities expansion, HV Mfg sat down with Rich Croce, President of New Paltz-headquartered Viking Industries, for a wide ranging discussion of the packaging industry, family business, and leadership.

HV Mfg: Thank you for agreeing to this Q&A, we appreciate your time.

R.C.: Thank you, I appreciate the opportunity.

HV Mfg: How did you come to work in manufacturing?

R.C.: It's the family business! But I didn't always see myself running it. In fact, when I was younger, I was pretty sure I would not be sitting here today. However, for as long as I can remember, I was helping out at the plant. Especially during the summer months which were actually very busy months for us. We sold, and still sell, quite a bit to the cosmetics industry and they placed a lot of orders for the fall fashion season in the summer. I would fill in where needed, sweeping the floors and "stuffing the bailer," the machine where the scrap corrugated went for recycling.



Rich Croce and Customer Service Manager Eric Wagoner reviewing the print requirements for a customer's order.

When I was in high school, my dad (who was president of Viking) was pretty clear that sitting at home was not an option. So, if I wasn't playing a sport after school, or had a different job, I was going to work at the plant. Since I only played football in the fall and was too lazy to find a different job, I was here. During college I would work during breaks. Because I had worked so many of the jobs, I was promoted to assistant supervisor during those busy summer months. I really didn't see myself here once I "grew up," but the truth is I didn't really have any idea of what I did want to do. I was studying engineering at Union College — and this is not something I'm proud of — but I failed out my senior year. I just stopped working at it. I went to work for Blockbuster Video and was a store manager. That was fine, and I was pretty good at the sales and customer service stuff, but it was also not the career I wanted. It did give me some time to reflect and grow up a bit and shift my mindset.



Rich Croce and Partition Assembler operator Juan Ramos looking through assembled partitions.

In 1998, my father and I spoke about me coming back home to work at Viking. After some ground rules were set, I came back to work in customer service and I have been here ever since.

HV Mfg: Tell us more about Viking — the “family business.”

R.C.: This business, Viking Industries, started in 1973, but our lineage goes back a lot further. All the way back to Manhattan in 1892 when F.D. Croce Company began manufacturing peanut bags. In the early 1900s, we expanded into making produce cartons and moved into the Hudson Valley. As the business grew and time went on, it became increasingly difficult to get quality corrugated partitions needed for the produce boxes at a good price. Viking Industries was founded to satisfy that need.

Viking started just making partitions but quickly expanded to make custom boxes for a wide range of industries. I mentioned cosmetics already, but we also sell to the food and beverage, pharmaceutical, medical, and electronic industries.

Our competitive advantage is our ability to respond quickly, to turn orders around rapidly, and a fierce devotion to customer service. We also have some unique equipment that allows us to provide a range of products that not many in our industry can. Our significant investment in our design department and our unique approach to solving packaging problems has become a big advantage for us.

HV Mfg: That being the case, customer service was an important place for you to start. How did you get from there to your role as president?

R.C.: I dove right into the customer service role. Honestly, I truly get personal satisfaction when our customers are happy and satisfied. I was pretty good at it, and by 2000, I was promoted to customer service manager.

About the same time, I came into the business Viking made a huge investment in equipment, purchasing a flexo printer. In flexo printing, a cylinder applies graphics or text onto a substrate, in our case corrugated board. It is both fast and provides excellent quality. The equipment was computerized and fast set and allowed us to produce a finished box in one step rather than through two different pieces of equipment. It was a

big leap forward for Viking to add this machine and we were now producing more than partitions. We could produce the exterior packaging and so much more.

We had been selling almost exclusively to brokers and distributors, but with the new capabilities, we were able to sell directly to end users, which we did while trying hard not to alienate our brokers and distributors. As head of customer service, I became more and more involved and my father began to include me in many of the critical and strategic decisions the company was making. We took on these 3 guiding principles: 1) We are obsessed with meeting customer demand. 2) We are more reliable than a machine on our customer's floor. 3) Call us if no one else can do it.

It was in the mid 2000s that my father and I discussed my eventually taking over running the business and we began a process to prepare me for that eventuality.

HV Mfg: When did you officially assume the role of president?

R.C.: 2008.

HV Mfg: What was that process like?

R.C.: Mostly it was about my learning as much about all the different aspects of the business as I could and also learning more about leadership and management. I went to Marist College and eventually earned a BA in Business and Communications. I started working with an executive coach, Rick Bronder, who really helped me understand my role, set clear goals, and stay focused on them. One of the greatest things my father ever did as a leader was acknowledge what he wasn't great at. He would tell you himself he

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was not great at coaching me on how to be a good manager. That is where Rick was invaluable to us. He taught me about how to manage, lead, and how to hold myself accountable.

And, I worked closely with my father to understand all inner workings and nuances of the business.

HV Mfg: We have had the pleasure of working with your father, also Richard, in the past. He served on the Council of Industry Board of Directors for many years and as its chair from 1993 to 1994 (the same role that you have today). Tell us about him.

R.C.: My father is a great person and a terrific role model. He has a great head for business and is a natural leader. I can't tell you how much I have learned from him. I still rely on him and he is still very much engaged in the business. He is a huge help. Over the years, I would run into many people in business and politics who knew my father and would tell

me how great he is. I know they all feel fortunate to have met my father and have him in their life, but I am the truly lucky one because I got him as my dad. There is not enough room in this article to describe the impact he has had on my life and how much he has done for me both personally and professionally.

HV Mfg: How would you describe your leadership style?

R.C.: I guess just that I believe in being direct and honest with people. I try to set clear expectations, give consistent feedback,

follow up, delegate tasks and focus on developing people. In a lot of ways, a leader's job is to provide the resources to meet those expectations, remove the obstacles to their success, and hold people accountable for meeting them.

There is a book on the shelf behind me by Marcus Buckingham and Curt Coffman called *First Break all The Rules*. I love this book and refer to it regularly. It argues that successful businesses have engaged employees and managers have the power



Richard Croce and Rich Croce



Die-cut e-commerce boxes moving down the production line.

to make sure team members are satisfied. To be a great leader, let people choose how to reach outcomes, but set standards of performance. When you want to improve all employees' performance, look at your top performers and support them.

When I was at Marist, I remember one of my teachers talking about the tools some organizations use to improve employee engagement, things like "spirit teams." At Viking, we don't have spirit teams, but I do believe we have strong employee engagement and committed, loyal employees. I believe they are committed to Viking because Viking is committed to them. You have to be genuine in your approach, otherwise these types of things can feel forced and a replacement for genuine interest in the lives of the people who work for you.

HV Mfg: How did that employee-employer relationship play out during the pandemic? We understand you lost an employee to COVID in early 2022.

R.C.: We did lose an employee. He was on vacation when he contracted the virus and passed away in late March, 2020. It was a shock to the whole organization. We were early adopters of temperature taking and communicated regularly to our team about what was happening and what we were doing to keep them safe. We were an essential business and remained open throughout the pandemic—I mentioned we sell to the medical and food & beverage industries. Our work is important, but so are all of our employees. We had to close the operation for 72 hours to do the deep cleaning required at that time and I used that time to call all 85 employees personally. I wanted to

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tell them what was going on personally and to hear from them their concerns, to get a better understanding of how each of them was feeling. It was so important to speak directly to them individually and to let them know what we were going to do when we reopened. You can imagine that there were a wide range of feelings, and after accommodating a few individuals, we reopened and safely got back to work.

HV Mfg: We at the Council of Industry know you invest in upskilling your employees because you utilize several of our programs to do so. Why is this important?

R.C.: It's vital for our employees to have the opportunity to continuously improve their knowledge and skills. One of my management philosophies I mentioned before is that we develop our staff. That could be for them to perform their current job more effectively, to prepare them for an opportunity we see for them in the future, or just to invest in them for another opportunity that may not even be with Viking. We invest in their education and training whenever we can.

We have a couple of apprentices in the Council of Industry program, in the industrial manufacturing technician trade and in the maintenance mechanic trade. The truth is, there are not a lot of people who have the skills to maintain all this fancy equipment we are purchasing, so we are taking it upon ourselves to give some talented, dedicated employees those skills. The apprentice program is a win-win that it gives us the structure and resources to

HV Mfg: Finding candidates to fill jobs in manufacturing is a real challenge across the nation and in the Hudson Valley. At the same time, you have worked hard to have a committed workforce at Viking. Are you finding people that can meet your expectations?

R.C.: It is a challenge, but we are committed to finding people who fit into our culture. We take our time hiring and look for candidates who we think can, and want to, last for the long term. Like many other businesses, we recently raised our wages across the board to help retain our team and attract new candidates. It requires patience and discipline. The truth is that manufacturing is still a misunderstood sector and it is difficult to attract candidates, especially younger people, to these jobs.

HV Mfg: Are you doing anything to change that perception?

R.C.: We try. Sometimes it seems like an uphill climb but we are trudging up that hill.

My father is very involved with the Ulster Community College Foundation and the Hudson Valley Pathways Academy is one program that Viking (and I personally) have been very supportive of and engaged with.

HV Mfg: For our readers who may not be familiar, what is the Pathways Academy?

R.C.: It is a P-TECH school located at SUNY Ulster. The P-TECH model is a STEM-based school where students simultaneously earn their high school and associates degrees over five or six years. It is very non-traditional and focuses on kids who come from underserved backgrounds, who face real challenges.

P-TECHs all have industry partners and concentrate on developing the skills those industry partners need. The Pathways academy partners with local manufacturers like Viking.

I love the model and over the past five years, I have greatly enjoyed working with the teachers and staff, but I have especially enjoyed getting to know the "young scholars." I have sat on and led the industry steering committee, but it is the "industry challenges" where some of our team at Viking and I work directly with the kids on a real project that is the most rewarding,

and I think most impactful.

We know this isn't going to solve the problem overnight, but these young scholars have an accurate perception of what manufacturing is and isn't. That is a step in the right direction.

HV Mfg: What's next for Viking?

R.C.: We are undertaking a substantial expansion here in New Paltz. We are putting on an addition and purchasing some new equipment that will make us more efficient and open up some



Rich Croce with designers Eric Lesh and Kevin Le reviewing the requirements for a customer's packaging to be created.

do on-the-job training, and the employee gets a pretty impressive credential.

The other program we take full advantage of is the Certificate in Manufacturing Leadership supervisor training. I mentioned *First Break All the Rules* earlier. It emphasizes the outsized role front-line supervisors have on your business. I believe it and I see it every day. The Council program has made our front-line people much better problem solvers, communicators, motivators and leaders. All of our supervisors are graduates of this program, and in fact, all but one have been promoted from within.

new opportunities. It is very exciting and a little scary. The cost is now expected to be substantially higher than we first predicted because of the rising costs of materials, but we think we have it under control. OCS has done a fantastic job for us in managing all aspects of the construction. When we need to spend our time running our business, it is crucial to have a partner like them you can trust to get the job done correctly.

We are looking to grow our market share in very specific areas that are the best fit for us, where we can maintain our high level of customer service. We want to make the Viking brand synonymous with quality and reliability and this expansion will help us achieve these goals.

We also have done some strategic acquisitions and developed some industry partnerships. About 20 years ago, my father worked with a handful of other packaging companies to form Freedom Corrugated to supply corrugated board to these businesses. Because we are part owners of the supplier of our main raw material, we have been able to maintain a reliable supply at a steady price. We solidified that source of supply in 2020 when Freedom signed a long term supply agreement with the largest producer in the country. We also expanded geographically with a distribution location in Ridgefield, NJ, and another manufacturing facility in Jasper,

GA. That positive experience encouraged us to look for other opportunities to compliment our business either geographically or in different markets.

HV Mfg: That sounds exciting. Thank you very much for speaking with us.

R.C.: You're welcome. I enjoyed doing it.



The Viking production leadership team, (L-R) Brandon Ferland Jr, Dean Brown, Jason Quick, Plant Manager, Michael Cozzolino with Rich Croce.

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