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## EXECUTIVE PROFILE

# Acting on Instinct

by Christine Lyall

Joan Pennau, president of Wright Bros. Paper Box Co. Inc., in Fond du Lac, Wisconsin, was concerned her interviewer had been left on "Hold" too long.

"Hi, Christine. I don't know what's on 'Hold' for music. Oftentimes it's the 'Packer-ena' or something crazy like that," she said, referring to the Green Bay Packers' promotional adaptation of the popular—though sometimes wearisome—musical hit called "Macarena." Pennau needn't have worried, though; this Chicago-based writer doesn't follow football, much less the Packer's ailing rival, the Bears. The pun was too great to pass up, however, and thus found its way into this article.

"Packer-ena" is an appropriate name in the context of Wright Bros., a rigid set-up box manufacturer that has experienced the kind of success worthy of an energetic song like "Macarena." And much of the business' success is due to Pennau's dogged devotion to the privately owned family business, though she would hesitate to take a great deal of personal credit for its prosperity.

Pennau (pronounced "pen-now"), 50, is an unassuming, practical kind of person who usually avoids the limelight. But her instincts told her to grant this interview, she said, to increase Wright Bros.' market exposure and to communicate to her employees her appreciation for their hard work and dedication. And Pennau has never been one to ignore her instincts; not only has she relied on them to a certain degree to operate the family business, but they have carried her through at least one major transition in her life, which brought her back to her hometown and put her in the president's seat at Wright Bros.

"JOAN WAS BORN INTO THE packaging industry," said Larry Wright, president of Warren Packaging Corp. in Davenport, Iowa, and a contemporary of Pennau's. Indeed, the business was founded by Pennau's maternal grandfather, Clarence Wright, and his brother,

Edgar, in 1908. In 1946, Pennau's father, Frank Erdman, and her cousin, Ed Wright Jr., purchased the company. Then in the mid-1970s, Erdman bought Ed Wright Jr.'s share of the company, putting the company and its corporations entirely in the Erdman name. There are two Wright Bros. corporations, the larger of which is in Wisconsin. The other corporation, Wright Bros. of Florida, located in Hialeah, virtually mirrors the Wisconsin facility but is about half its size.



Joan Pennau

Wright Bros. is a custom-order house that serves a number of industries, including footwear, cosmetics, confections and the gift cheese industry. The company also manufactures game boards, game boxes and stationery boxes, and it has clients that make leather products and personal accessories. It also manufactures promotional pieces, slip cases and point-of-purchase displays. With International folder-glueers and a Bobst automatic diecutter, Wright Bros. has also produced folding carton and small-flute boxes, but it does not do any printing.

When asked to describe a childhood memory regarding the family business,

Pennau could not vividly recall any specific event or activity. That alone seems to prove how integral the business was to her life and development. "The family business has always been there and it was always a topic of dinner-table conversation," said Pennau, who spent her summers working on the floor of the box plant from the time she was 16 to 22 years old.

"She's been an outstanding leader, not only for her company but for the industry," said Wright, who has worked directly with Pennau many times through his membership in the National Paperbox Association (NPA). Pennau served as chairman of the NPA during the organization's 1995-96 fiscal year and was the first—and so far the only—female chairman of the board. "Her father is very lucky to have her to take over the business," Wright continued. "She's an amazingly broad individual in interests and skills and abilities. Joan is smart and so sharp. She's her own person."

Pennau was following an entirely different career track, however, before she returned to Fond du Lac in 1980 and started working at the plant. She became president of the company six years later with minimal business experience, yet she has managed to maintain—if not increase—its market share.

UPON GRADUATING HIGH SCHOOL, Pennau pursued a career in education. With a bachelor's degree in liberal arts from Ripon College in Ripon, Wisconsin, she went on to accumulate both a master's and doctoral degrees in education and curricular development and instruction. In the meantime, she married her husband, Karl, in 1969, and had a child, Kipp, who is now 15 years old. She taught at the elementary level in Chicago and at the university level in Minneapolis and Seattle. She moved around the country (with two stints in Seattle) because her husband, who is an orthopedic surgeon, had medical training requirements to fulfill before he opened his own practice in Seattle.

"We were in Seattle the second time for a very short time," Pennau said. "I dragged us back to Wisconsin primarily because of self-imposed familial obligations." Her husband was very supportive of her decision and uprooted his practice. He has since established a thriving private practice in Fond du Lac.

Though Pennau's decision didn't come easily—for she loved teaching and the academic atmosphere of the university—it was a natural one that had lain quietly for many years in the back of her mind. She said she never felt forced to take over the business, and her father didn't ask her to assume the executive post. But she felt obliged to help sustain a business that had provided a solid foundation for her financially, emotionally and philosophically. She said her younger sister had no interest in managing the business.

"I've always been interested in the business and cared about what was happening at the plant, so there was a sense of responsibility," she said. "Anyone who's grown up in a family business will tell you that that's one side of the coin. On the other side of the coin is the safety net that the business provides. And no matter what vocational direction you choose, you feel you should be doing something with that business, or go back to it, because you've heard about and lived with it from day one."

**ONE MIGHT WONDER, HOWEVER,** why Pennau didn't pursue a business career to prepare herself for her self-prescribed destiny. She said when she graduated from high school in 1965, the thought crossed her mind to major in business and eventually work at the plant, but that "was not a logical transition for a young woman." In those days, she said, education or nursing were the more traditional avenues. Although she's always been a strong individual who doesn't consider gender an obstacle in her endeavors (being a woman in packaging is, to her, a "non-issue," in fact), she simply chose the traditional road.

"I'm sorry I can't be more brilliant," she said, again revealing her modesty, as well as her slightly sarcastic sense of humor. In truth, Pennau seems a bit surprised by this reporter's interest in her, and it's clear she is not accustomed to talking about herself. But Pennau rarely backs down from an opportunity or a challenge, and

once she gets started on a project, it seems there is no stopping her.

Pennau attributes her competitive spirit to her family, which instilled in her a belief that she could do anything that she wanted to do. And, aside from running her business, she does plenty. Pennau is dedicated to her family—having spent the entire evening prior to this interview sitting in the bleachers cheering for her son's football team—and she has served on a number of community, business, professional and academic boards and committees. Pennau is also a visionary manager with an insatiable appetite for learning. What she lacks in business degrees she more than makes up for in communication and organizational skills, as well as critical-thinking and problem-solving skills.

"I'm a liberal arts proponent because I think there's no better arena for learning those skills. I think it's better than doing balance sheets for four years," she said. Still, she had to learn a little about balance sheets.

**FOR HER FIRST FIVE YEARS BACK** in Wisconsin, Pennau worked 20 hours a week at the box plant and 20 hours a week at Ripon College. She therefore learned the ropes of the business while her father still worked full-time so she would be ready to take over the business when he retired. She met with some challenges in the transition, however, which—for her—only fueled her enthusiasm.

"The biggest challenge is in keeping up with the day-to-day details, and I had to learn to be flexible," she said. "In academia, you have huge blocks of time—three or four hours at a time—to think about theory and to synthesize information. I had to learn to do all of that in smaller amounts of time.

"In a small business, in particular, you wear a variety of hats, and I get involved in strategic planning and looking at the numbers, but also sales and production and insurance and personnel-type issues," she continued. "This job also requires significantly more interaction with people in order to get something done, whereas in academia I could do my own thing in my own cubicle."

Pennau doesn't have any regrets, however. She harbors a secret desire to be a museum curator (she loves the visual arts); she doesn't have as much as time as she would like to pursue her other passions—golf

and skiing; and she's missed her personal time for "solitude and self-reflection." But she's confident she made the right decision, and she couldn't have picked a better time to make that decision.

**PENNAU ENTERED THE FAMILY** business at a busy time; the company had just secured a contract to make the boxes and boards for the wildly popular "Trivial Pursuit" game. With the help of 13 other sub-contracted rigid set-up facilities, Wright Bros. worked around the clock, seven days a week, and turned out 900,000 units a week from 1983 to 1985—in addition to other customers' needs. The job provided a good training ground for Pennau.

"I walked into a thriving business that happened to have reached its highest peak ever, and I have been able to maintain (that level of success)," she said. Although she's made relatively subtle changes at the plant, mostly in production procedures and office organization, she is responsible for bringing the company into the computer age with order-entry, processing and labor data collection. She said she is continually evaluating the plant's computer needs with a look ahead, for example, to computerized set-up and automatic spotting.

Pennau believes high-tech operations and a well-trained staff are essential to maintaining and increasing Wright Bros.' customer base. The proliferation of fax machines, cellular phones, the Internet and electronic mail have "shrunk" the marketplace, she said, and intensified competition, but have also created new business opportunities. She also knows, however, that a successful business cannot lose sight of the customer, despite increased demands on capital and human resources.

"You have to listen to your customers and understand their business and their specific needs. From that you determine solutions and formulate the details to carry them out," Pennau said. "I see business in a very rapid state of change. Almost all of our customers are pushing for speed-to-market, so we will have to adapt our procedures to meet that need and train our people."

Wayne Sanford, executive vice president of Utah Paperbox Co., in Salt Lake City, described Pennau as "progressive," "level-headed" and unpretentious—despite her stack of advanced degrees. It's no wonder Pennau can trust her instincts. 