

Boris Miksic

CORTEC CORPORATION

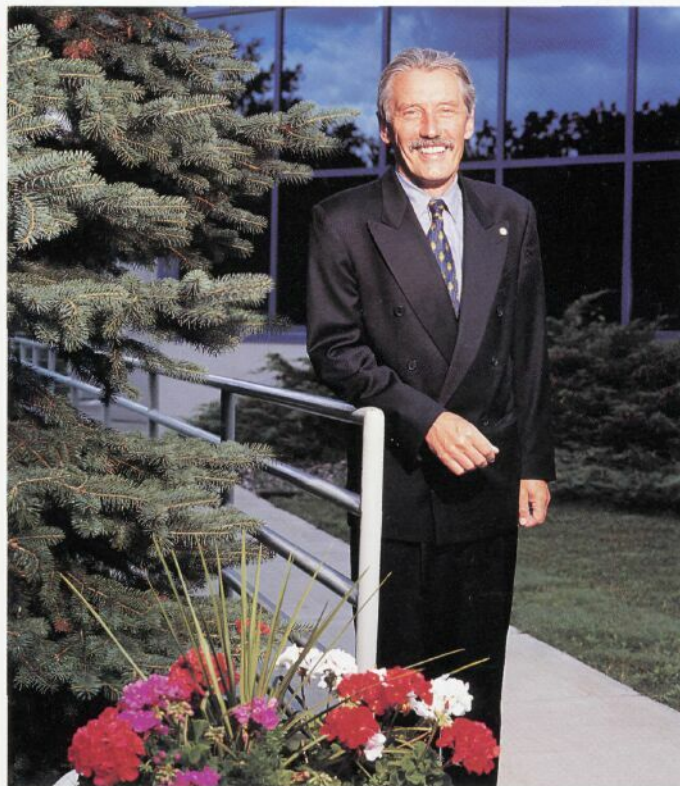
If there were such a thing as an American Dream Award, Boris Miksic would be a prime candidate to win it. He came to America from Croatia with \$37 and a pregnant wife, then managed to start his own company from scratch and build it into a \$25 million enterprise.

It was a gamble to say the least, but things ended up working out extraordinarily well. Miksic grew Cortec Corporation into a corrosion-control company with some big-name clients, such as Ford Motor Company, Motorola, and the United States Navy.

Established in 1977, Cortec has earned steady and stable growth under Miksic's guidance. Yet Miksic has kept the company nimble enough to work individually with customers on their specific needs. Cortec engineers regularly develop prototypes in partnership with clients until a product suits their needs.

"What's the purpose of a small company if you can't react quickly?" Miksic says. "The way we can outgun the competition is to be closer to our customer and have fewer committees."

Miksic began working toward his American dream after a friend in New York helped him land a job with a Minnesota chemical engineering company. He spent four years learning the ropes, but he grew disen-



HEADQUARTERS: White Bear Township
REVENUES (1999): \$25 million

FOUNDED: 1977
EMPLOYEES: 120
TICKER: Private

WEB SITE: www.cortecuci.com

chanted during a period of company instability. But he also was brimming with ideas, and he wasn't getting the chance to try them out. So he left to start his own business.

For three months, Miksic and his wife operated the company on a farm in Hugo, Minnesota. They manufactured products in the kitchen sink, processing chemicals with a coffee grinder.

The odds were against him, but with persistence

and a dedication to customer service, Miksic's company flourished. He set a goal to sell \$100,000 in product the first year and met it, then managed to increase sales 20 percent each year.

While Cortec is now a thriving company, it wasn't always smooth sailing. In 1983, Cortec struggled through serious cash-flow problems, and Miksic decided to sell. Sealed Air, a multinational company, agreed to keep Miksic as

vice president of the company's Cortec Division. But two months later, he was forced out.

Miksic took time off and watched in horror as his company stumbled further. "It was tearing my heart out," Miksic recalls. "It was my company, my people. They ran the company into the ground."

Miksic bought back Cortec in 1988 and turned things around quickly. He adopted as Cortec's mission his 20-20-20 rule: 20 percent growth, 20 percent new products, and 20 percent cost reduction every year.

"We stuck to narrow niches in the huge corrosion industry and stayed away from big companies that dominated the market," says Miksic. "We didn't want to step on their toes too soon. Now we go after them big-time."

Cortec has been branching out by developing value-added products, including systems that extend the life of concrete and biodegradable packaging.

"We've been lucky and fortunate—we've made money every month," Miksic says. "We always stayed with one principle: customer service. We took care of the customer whether it was in Des Moines or Tokyo. They got the same service, the same price. We treated everyone equally. We still do." •