

MEC CEO Clarence O'Berry Clears a Path for Tribally Owned Businesses

By Calvin Verrett Carter

Company Profile., March/April 2004 – When Clarence O'Berry was first recruited to lead Mandaree Enterprise Corp.(MEC), he turned down the job, opting instead for a marketing position in the company, which was then teetering on the brink of bankruptcy.

But approached again four months later, O'Berry reconsidered and took the job, setting the stage for one of the fastest turnarounds ever recorded by a Native American-owned company.

"No matter how bleak things looked, I would not give up," O'Berry said of the company that last year boasted nearly \$8 million in revenue. "I was not afraid to ask dumb questions and never took no for an answer. I had a vision and used good strategic planning to turn that vision into reality."

Now a full-service information technology and electronic manufacturing corporation, MEC is owned by the Mandan, Hidatsa and Arikara Nations of the Three Affiliated Tribes. Headquartered in Mandaree, N.D., the company has offices in Washington, D.C.; Austin, Texas; Detroit, and Sterling,VA. And more than 80 percent of the company's 70 employees are Native American. O'Berry is a registered member of the Sisseton Tribe in South Dakota.

Formerly know as Mandaree Electronics Corp., MEC was established in 1990, and operated under the wing of Northrop Grumman Corp. through an innovative Department of Defense Mentor-Protégé Program, which led the two companied to collaborate in manufacturing electronic components for front-line military weapon systems.

O'Berry credits Northrop Grumman with providing critical assistance in helping MEC become qualified to win and execute the defense contracts.

"Northrop Grumman mentored our electronic manufacturing business," he said. "With their help we were able to diversify into other areas, such as information technology. Last year we did over \$7 million in business, which is a long way from where we started in 1994 with revenues of just \$100,000."

But in less than a decade, the tribally owned company graduated from being a protégé of Northrop Grumman to being acknowledged in its own right as a mentor for small business development.

Recently, as part of the SBA's Native American Economic Development Initiative, MEC was awarded a \$300,000 contract to develop a business and technology incubator that will provide infrastructure support and access for Native American companies.

Because most tribally owned companies are under-capitalized, poorly staffed and located in rural areas, it historically has been difficult to establish and grow long term business ventures, O'Berry said.

but MEC is at the forefront of changing the status quo, thanks to a \$1.7 million loan from the Native American Bank, secured because of O'Berry's savvy leadership, said John Beirise, the bank's CEO.

"Clarence knows the principles of modern management and applies them to his company," Beirise said. "his creativity in business is evident and always tempered by his pragmatic approach."

Northrop Grumman's Terry Wilber said combining creativity and skill gives O'Berry an edge in business.

The one thing about Clarence is that he doesn't see boundaries," said Wilber. "It's not about thinking outside the box. He doesn't even see the box."

O'Berry says his success is built around turning challenges into opportunities.

"I learned from other peoples' mistakes and positioned our company to not make the same ones,' he said. "There were no early examples or business models for success, so we had to create our own."

Now O'Berry is looking to help secure opportunities for other Native and tribally owned businesses.

"First, we're going to identify the resources that are already out there, then we'll figure what other resources businesses need. We don't want to spend our hours and dollars on services that already exist," he said. "We are going to stretch our dollars and vision to provide what is uniquely needed in Indian Country, the kinds of things that we, as a tribally owned enterprise, are in a perfect position to understand."

Going forward, MEC is also looking to diversify its operations, while improving business and employment stability, O'Berry said.

"Small business plays a major role in the global economy, and it's my belief that business, no matter what size is built on relationships with employees, customers and partners," he said. "The stronger the relationship, the stronger the business."

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