

Local industry goes GLOBAL – Mandaree Enterprise finds success in diversification

March 2004 – You wouldn't expect to find a company in the middle of the prairie that has grown from six employees to more than 70.

But this is the story of such a company. Mandaree Enterprise Corporation was started in 1989 by the Three Affiliated Tribes. In the beginning, the main purpose was to employ members of the tribe, to create jobs for the people who lived on the Fort Berthold Indian Reservation. The focus of work was manufacturing cables and wire harnesses for front line military weapon systems for the United States Government.

By 1994, the future was bleak for the company. On the brink of bankruptcy, the corporation brought in a new chief executive officer. Clarence O'Berry took over as the head of the company and changes were soon in the works. In the 10 years under his leadership, the workforce has grown to as many as 100 people and the company has prospered. This past year, Mandaree Enterprise has employed 70 people and did more than \$7 million in business. This change did not come easily.

In 1994, O'Berry's first task was to figure out a way where the company could retain the six jobs it currently had. This was done by negotiating mutually agreed upon terms that allowed Mandaree to repay outstanding debt, and by soliciting workload from customers such as Northrop Grumman Corporation and Killdeer Mountain Manufacturing Inc. O'Berry realized that if Mandaree Enterprise was to be around long-term to provide stable jobs for the people in the area, it had to first build a successful business. The corporation is still owned but it is run autonomously.

"Strategy, you can't put all your eggs in one basket," O'Berry explained. And that has been his guiding principle for the last decade. By 1998, Mandaree Enterprise had begun to diversify into the information technology field.

Its first information technology job saw the corporation team up with a Wisconsin-based company, which subcontracted with Mandaree Enterprise to process medical claims. It was through that relationship that the facilities were set up and the employees were trained for future data processing jobs. And those jobs came in quickly.

The company was soon awarded a five-year contract with the Social Security Administration (SSA) worth \$8 million. This contract supported the SSA's national 800 number voice response messages unit project. Mandaree Enterprise would process the requests for getting social security cards and requests for employment annuity information from the agency.

O'Berry explained that it is important for any business to find its niche. Mandaree Enterprise has found its niche.

"Our niche actually includes several different elements which are: on-delivery, customer satisfaction, low overhead cost and last but not least, we help our customers meet their small business goals," he said.

"Many of the government contracts call for large corporations to use small businesses to fulfill their contracts. This gets our foot in the door. Once we are in, we have to perform. We have to deliver the highest quality of work. It always seems like the little guys must do the job better than anyone else, and we are constantly working to meet and/or exceed our customer's requirements and some of our customers put us to the test on a daily basis."

The guiding principles of diversifying and providing the best quality of work are still driving Mandaree Enterprise. It has business sites in New Town and White Shield as well as Mandaree. It also has a contract with the Environmental Protection Agency (EPA) to handle its property management activities. These contacts are managed out of the Ronald Reagan Building in Washington, D.C., and Cincinnati, Ohio. The company also employs key personnel in Fargo; Austin, Texas; Detroit, Mich.; Sterling, VA. and Columbus, Ohio.

In nine out of 10 jobs, Mandaree Enterprise teams up with a partner. Sometimes it is the lead company and sometimes it is the subcontractor. O'Berry gave an example of how these partnerships come about.

"During one meeting, I was talking to a government official who asked if we could put together an electronic catalog where they could order all their computer hardware/software and office supply needs. After going over what that project would entail in time and money. I recalled meeting the region vice president of Staples. So, I contacted him and before I knew it, we had established a teaming agreement and the deal was done."

Through its diversification, Mandaree Enterprise also supports projects globally with contracts supporting Pacific Air Force and the U.S. Army. The company has four employees stationed in Hawaii, Korea and Thailand performing assessments on Air Force training programs and four more employees working with the military forces in Iraq. Since the Iraq people are all hired under top security clearance, the only information O'Berry could give is that a computer specialist is helping to rebuild the infrastructure of the country.

Here in North Dakota, the company has many exciting things happening as well. The New Town facility has been awarded a three-year, \$14 million contract with the HUD agency. It is creating, printing and distributing satisfaction surveys for people living in HUD Housing throughout the United States and then processing the information.

It has also recently submitted a bid for an Internal Revenue Service contract. If successful, Mandaree would have large subcontractors such as IBM, PFSweb and Blue Cross Blue Shield of North Dakota. This would be a five-year effort, worth over a \$100 million and would employ between 300-500 full-time people.

O'Berry is justifiably proud of Mandaree Enterprise Corporation. And he is most proud of another contract the company recently received. In monetary matters, the \$300,000 contract is small compared to some of other projects. But it is the work it entails that makes O'Berry so proud. It is with the Small Business Administration and the job is to mentor other Native American business companies. O'Berry sees this as proof that Mandaree Enterprise has made a reputation for excellence and success.

"It means we have come a full circle. When we started out, Northrop Grumman Corporation helped get Mandaree Enterprises started. They helped train our employees, gave us surplus equipment and meaningful workload. We were building wire harnesses for the military and that's how we got started. Now we can help others in the same way." O'Berry is extremely proud of what Mandaree Enterprise has become and he gives all credit to the company's dedicated employees, strong partnerships and great customers.

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