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## SARATOGA SPRINGS

# Espy thriving thanks to its reputation for reliability

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Mark St. Pierre, president and CEO of Espy Manufacturing and Electronics Corp., says he has a global perspective because Espy has customers around the world. Being an international relations major at Assumption College in Worcester, Mass., ended up being very useful, he said.

"It's a global economy," said St. Pierre. "We sell around the world."

Espy's customers include all branches of the United States military as well as the defense departments in the countries of Israel, Norway, Spain, Italy and Canada, among others.

"We are in the power supply business from avionics, weapons, communications, radars and power distribution systems," he said.

The company, founded in 1928 in New York City, moved to an old foundry building at 233 Ballston Ave. in Saratoga Springs in 1952.

Espy employs 170 people who develop and produce highly reliable products for use in military and other severe-environment applications.

"We're not really secret, but we do sensitive work for the military," he said.

St. Pierre, 52, was named president of Espy last February after longtime president Howard Pinsley retired. Pinsley, a Saratoga Springs resident, remains chairman of the

board.

St. Pierre had previously been with the power supply division of IIT Corp. in West Springfield, Mass.

"We are very vertically integrated, unusually vertically integrated," St. Pierre said. The company designs and develops, builds to print and does its own plating and painting and all the electronic assembly work on all of the products it sells.

"We have full testing capability," he said.

This testing, some of it in adverse heat and extreme cold environments, is very important for equipment the company makes for the military.

He said the company is blessed

with talented, long-serving employees who are dedicated to the quality products Espy produces.

St. Pierre said his philosophy is the "empowerment of individuals."

"The best way to lead is to let people use their own judgement and best efforts," he said. "Management's role is to provide a framework and a strategic plan, a general guide for people to do good work."

Espy is a public company whose stock trades on the New York Stock Exchange Amex under the symbol ESP.

This strong work ethic and superior product design and production have served Espy well during the recent difficult economic times: The company's net sales and net income for the fiscal year that ended June 30 both were higher than any other year in Espy's 81-year history.

For the company's fourth quarter, net sales increased by \$918,856 to \$9.2 million, compared with the 2009 fourth-quarter net sales of \$8.3 million.

For the fiscal year that ended June 30, the company reported net sales of \$28.9 million, compared with \$27.2 million for the prior fiscal year.

New sales orders for the year totaled \$21 million, according to an Aug. 23 financial statement from the company.

### REPEAT BUSINESS

Both St. Pierre and Pinsley say the company makes products that are not always flashy but are needed by the military and industrial sectors on a regular basis.

"My philosophy is to get in programs that repeat," Pinsley said. For example, he said, Espy has produced parts of a radar system used around the world since the 1960s.

"We don't make the gun, but we make it smarter," St. Pierre said.

He said, for example, Espy makes a battery charger for the 155mm howitzer that the military uses in large quantities in Afghanistan and other global hot spots. The company also makes the global positioning system assembly for these big guns.

The company's philosophy of

getting involved with "continuing programs" in the military and other industries keeps it busy with repeat business.

He said, for example, that equipping the Army's large 155mm cannons with battery-charging systems and GPS locating devices means regular orders.

"We will be on our second 1,000 shortly," Pinsley said.

St. Pierre, a Boston-area native, said he is very impressed with the work force at Espy. He said the company has been able to keep up with the transformation of the military from heavy tanks and other heavy equipment to lighter, more mobile equipment used to fight the wars in Iraq and Afghanistan.

He predicts Espy will have another record year this year.

"We will stay at least flat if not slightly up," St. Pierre said. He said the company hopes to see net sales exceed \$30 million this year.

St. Pierre, who also has a master's degree from Babson College in Wesley, Mass., and his wife of 30 years, Betsy, have three grown daughters. He recently purchased a home in Ballston Lake.

"We are just getting used to the area," he said.

He said he's not a big sports fan but is an avid reader and an enthusiast of the Kindle, a book-sized reading device that allows a person to read an entire book on the screen.

"I read a book a week," he said, and he likes biographies, history and business books.

His favorite author is the late business author Peter Drucker, who St. Pierre said is the dean of all business book writers.

### TRUSTED SOURCE

As St. Pierre shows a reporter and a photographer around Espy's 150,000-square-foot plant in Saratoga Springs, he points out how a block of aluminium is transformed into a platform for a power transformer.

He points to transformers made for the U.S. Navy's submarines that are very quiet, a key requirement of the silent service.

Peggy A. Murphy, the company's human resources director as well as facility security officer, makes sure classified material stays classified.

She said Espy has an excellent relationship with the U.S. Department of Defense and wants to keep it that way.

Espy employees work four 10-hour shifts each week. The employees range from general assembly people to highly technical engineers.

"We have a wide range of skills," she said.

Wages at Espy range from \$10.50 to \$20 per hour for assembly people. All hourly workers at the plant are members of International Brotherhood of Electrical Workers Local 1799.

St. Pierre said the company has a five-year plan that kicks in this year. He said this plan includes "growth for the future" and an expected increase in the company's work force. He would only say the increase in workers could be "substantial" in the coming years.

"Espy has been and will continue to be a company that customers come to with very difficult power needs and we provide them with solutions," St. Pierre said.

Pinsley said his family name has been associated with Espy since the company's New York City days.

His father, Nathan Pinsley, was with the company since its start and was president until his death in 1976. At that time, Nathan's late brother Sol Pinsley became company president until 1998, when Howard Pinsley became president and CEO.

Pinsley still comes into the office two or three days each week since turning the reins over to St. Pierre.

"It's hard to break away," he joked.

He said the people who work at Espy have been with the company a long time — their average term of service is 20 years.

"There is very little turnover," Pinsley said. "People like it; it's steady."

More of a challenge, Pinsley said, has been modernizing Espy's 100-year-old building. Additions have been made over the years off the main plant floor.

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BRUCE SQUIERS/GAZETTE PHOTOGRAPHER

Above, Mark St. Pierre, president and CEO of Espy Manufacturing and Electronics Corp., stands on a platform that overlooks the production floor. Below, Jeremy Cooper works at a winding machine.



**Left,** Brian Collins applies a layer of paint to some metal at Espey Manufacturing. **Right,** Paul Hannon smooths another piece of metal.

