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## THE INNOVATORS

# How a 101-year-old company reinvents itself



By H. LEE MURPHY |



Pat Bodkin, director of product management

Photo by Kendall Karmanian

For most of its century-long history, Fellowes has been known for the lowest-tech product employed anywhere in an office. It was the creator and manufacturer of the **Bankers Box**, a rectangle of plain cardboard used by generations of businesspeople to store all manner of records.

Sensing a shrinking market for paper records in the computer age, Fellowes has been expanding its portfolio. In the 1980s the Itasca-based company emerged as the leading maker of paper shredders for offices. In the '90s it ventured into binding and lamination, to be followed in 2012 by its first air purification machines.

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Now the family-owned company is branching out again, to produce standing workstations, allowing office-bound workers to get off their butts and onto their feet when the mood strikes them. "We've been focused on office organization, security and productivity," says John Fellowes, the 39-year-old CEO whose **great-grandfather founded the business** in Chicago in 1917. "Now we are getting more into health. We're encouraging movement by workers in their offices."

The first Lotus Sit-Stand Workstations, priced between \$500 and \$600 and made mostly at Fellowes' factory in China, were unveiled last year, and **new models** are hitting the market with germ-control finishes and the capacity to hold multiple monitors. They allow the user, with a squeeze of dual handles, to elevate a work surface by 17 inches.

Fellowes employs 1,800 people and has annual revenue of more than \$500 million.

Most of the design was done in-house by a 30-member engineering staff led by Pat Bodkin, 39, director of product management, who has a bachelor's degree in mechanical engineering from Virginia Tech. His researchers have been at work on other techie products, including an ergonomic, gun-shaped computer mouse priced at \$80, along with the first plastic-sided Bankers Boxes. His next step, now in development, is entire desks that elevate with the push of a button.

Competitors such as Ergotron in St. Paul, Minn., and Varidesk in suburban Dallas have been making standing workstations for five years and more, but that doesn't bother Bodkin, who's had plenty of time to discern their faults. Some of his rivals' products are too narrow, others don't hinge smoothly, and still others don't elevate high enough (some rise just 13 inches), he will tell you. "We weren't the first, but we think we have the sleekest, most functional model on the market," says Bodkin, who spends part of each day standing at his own desk.

Ergotron CEO Pete Segar says standing-desk sales at his company have been increasing by double-digit rates every year. Still, he concedes that fewer than 5 percent of U.S. office workers stand on the job even part of the day. He predicts that share will hit 20 percent, providing plenty of room for new entrants. That's good news for Fellowes. The not-quite-as-good: "I expect other competitors beyond Fellowes to jump into this marketplace," he says.

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