

Silberline
www.silberline.com

Lisa Scheller
President & CEO

Silberline is a global manufacturing company providing pigments to the plastics, automotive, graphic art/printing inks and industrial coating markets. Silberline was founded in 1945 by Lisa Scheller's grandfather, Ernest Scheller, a pioneer in the aluminum industry with a vision to create a business that would provide the highest quality products and customized service with unyielding integrity. 2010 will mark Silberline's 65th year and is recognized today as a world leader in the manufacture and supply of aluminum effect pigments, with 600 employees world-wide with manufacturing, technical and research centers in Europe, Asia and North America.

During Silberline's early years, Ernest Scheller was focused on following the leaders in the industry and then developing products at a lower price being more nimble against the competition. The first major transformation was in 1963 when Ernest Scheller Jr. had a different business vision for the business. He wanted to offer Silberline's customers customized products and tailor products to meet their specific needs. This strategy was used to develop the ink, plastics and automotive markets. The focus was now on offering the customers what they wanted, how they wanted it, where they wanted it and at the right price. At the same time Ernest Scheller, Jr., began to move ahead with technology and research, his objective was to create pigments that had not been created before with a focus on aluminum pigments. This business concept fueled significant growth and the company expanded into the international market. As a result of the growth, Silberline had outgrown its facilities and relocated from Connecticut to Lansford Pennsylvania.

Lisa was very young at the time of the relocation. She grew up hearing about the business at the dinner table, without a lot of interest in being part of the business. It was never her intent to run the business and while it was not what she thought she should be doing it absolutely is what she should be doing. Lisa feels that there is nothing else she would rather be doing, no other area in her life where she can have a positive impact on the number of people and on the world, other than what she is doing at Silberline.

Lisa started out with training in music with a focus on jazz, really loved this area but realized that making a living would be difficult. When she graduated from college with a Bachelor Degree in Mathematics she had 63 credits in applied music. Lisa went to work in the IT industry working in the area of software contracting in configuration management and quality assurance on government contracts. Lisa lived in Boulder, Colorado during this time and she developed some niche skills in the IT industry. In late 1986 she received a call from her father who realized her strong IT/computer skills and told her that Silberline needed someone with her expertise to manage the IT/IS area, build the systems and manage the networks. Her father made her an offer, although less than what she was currently making, but said there were opportunities for growth. Lisa decided to give it a try and moved back East where she started working on shared computer platforms, developing their networks and systems, using IT solutions as part of their competitive

strategy. Ultimately she went back to school while working and obtained a Masters Degree in Manufacturing Systems Engineering from Lehigh University.

In 1997 Lisa's family bought out her uncle's family interest in the business and her brother, Ernest Scheller, III took over as President and CEO, thus fulfilling his lifelong dream. Lisa's brother had always expressed a keen interest in the business. From a very early age Ernest Scheller, III showed his determination to become President and CEO by doing everything possible; summer jobs, college classes all focused on developing the skills necessary to run the business. He proved to be an excellent President and CEO, understood the technology and the customers. Unfortunately, tragedy struck the Scheller family and Ernest Scheller III, died unexpectedly eight months later.

Lisa and her brother had a real vision in moving forward with the company, making plans for the future direction. Upon her brother's death Lisa had to make some serious decisions and meet with her family. Lisa was not interested in selling the business and decided she wanted to run the business. The first order of business for Lisa was to establish an Advisory Board to give her input on running the company. She felt that if she did not think she was capable or the Advisory Board did not feel she was capable she would then have an open mind toward selling the business or taking a different course of action.

Lisa's father had instituted an Advisory Board that met annually and Lisa is a strong believer in the value of having an Advisory Board. She did a skill sets analysis to identify the type of expertise to comprise the Advisory Board. She cannot over stress the importance of Advisory Boards in developing strategies, they are not a Board of Directors and don't have fiduciary responsibilities but their advice is invaluable. Lisa continues to use this concept today to receive strategic advice and believes this approach makes her more accountable, measures her progress in setting the vision and achieving the goals for Silberline.

Lisa's management style is different than her father's management style. While both are results oriented. Her father and brother knew all the details of the business. The international divisions were run very autonomous. When Lisa took over she saw a need for change in a number of areas. One was to install the concept that the people reporting to her had to come up with the details of what needed to be done, come up with a recommendation that she could then discuss with them. Historically, the management that was running the company was more involved with the details and would make the decision on what needed to be done. Lisa's approach is to ask her managers what they think Silberline needs to do. Over time she has come to believe in a balance in management style. She has people working collaboratively, this creates better results but someone has to be held accountable for the results. The collaborative approach was a big change for Silberline and an integral part of Lisa's plan to emerge as a global leader. The company emphasized the integrating of procedures and skills worldwide and today they have a global operating board, a concept that evolved and took some time. They have research operations in Europe the U.S. and Asia that now fall under one umbrella, a global research department. Her management style evolved Silberline into a true global company.

Lisa Scheller and Silberline were facing many challenges as they moved forward with new technologies. She needed to bring in talent with very specific technical skills in order for the

company to make Silberline a technology leader as the world has moved to a more global economy with competition from global markets. The way to success for Silberline in the future is through

technology and meeting customers' needs in new and exciting ways while achieving one of the most important goals; manufacturing products that are environmentally friendly. Silberline has made very significant investments in research on an international scale.

Everyone at Silberline knows and understands where they are headed as a company. The one thing that has remained the same from inception and will not change is the core values that are the culture and heart of the company:

- Business with integrity
- Customer focus
- Commitment to employees
- Commitment to the community
- Commitment to safety-internal and external customers
- Commitment to the environment
- Commitment to continual improvement

The culture of Silberline is important to Lisa. They want to find self-motivated employee's that will take initiative and help drive the company forward. They have employees across the world and need to identify and encourage behaviors that will fit into the company's future. Although the people are different, live in different countries across the globe, they want to define a corporate culture that encourages success yet allows the individual to be diverse on a personal basis.

Lisa knows she could not be successful and have run Silberline for twelve years without the dedication and help of her employee's. She had incredible mentors, her father, brother, the members of the Advisory Board and her current employee's.

Advice Lisa would give young people entering into the business world, nothing can take the place of hard work and motivation. Hard work is a good way to differentiate yourself from others around you. You also need to be flexible, particularly when you are young. Certainly education is very important in terms of creating opportunities. Silberline is a great corporate citizen and has shown dedication to the importance of education by setting up a number of scholarships for high school students that live in the cities where their facilities are located. In the local area of their corporate headquarters they have also set up college scholarships, to help people in the community to grow. Silberline offers education opportunities to the employee's as well. Lisa's wants to help and encourage the people she works with.

Lisa has helped mold Silberline into a technology driven global competitor and the company is well positioned for future growth in both the domestic and international markets.

Co-Authors: John Vairo & Araceli Guenther. Emerging Strategies Group.

www.emergingstrategiesgroup.com



910 Harvest Drive, Suite 200
Blue Bell, PA 19422
610-941-2489
www.ExecutiveLeadersRadio.com



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