

VISTAGE

Member *Stories*

Scott Landes, CEO
Rhino Marking and Protection
Services
Bloomington, Minn.

Role: CEO /Owner
Industry: Manufacturing
Employees: 26–75
Vistage chair: Don Kielley

Company background

[Rhino Marking & Protection Systems](#)
*provides innovative marking systems to
protect buried facilities, help ensure worker
safety and protect the environment.*

*Rhino has been the leader in the damage
prevention industry for more than 20 years.
With the introduction of the TriView™
marking system in 1997, Rhino revolutionized
the damage prevention industry by providing
a 360° visibility marker post that could be
used in a variety of applications.*

If you've ever wondered where those
brightly-colored ground markers that warn
you to "call this number before you dig,"
come from, you might be surprised to learn
that thousands of them were manufactured by
a niche company headquartered in
Bloomington, Minn.

Meet Scott Landes, president and CEO of
Rhino Marking and Protection Systems, and a
10-year member of Vistage Minnesota. Scott



started his company in 1990 to solve a
common problem: Keep people from
electrocuting or blowing themselves up from
hacking into underground natural gas and
electrical pipelines and cables. Today, these
ubiquitous warning markers are part of the
landscape, particularly in residential areas
where homeowners are carving up the ground
for fences, decks, patios and the like.

Aside from Rhino, Scott operates
Infrastructure Resources, a company he
launched in 2002 to educate and train
companies and people on excavation safety
and damage prevention. The company
produces an annual conference and trade
show besides marketing a quarterly magazine
and a series of training videos and webinars.

At Rhino, Scott has 30-35 employees—most
working at the company's 20,000 sq. Ft.
Manufacturing facility in Waseca, Minn. His
headcount fluctuates slightly because of

temporary workers—including some staff from a workshop for the developmentally challenged—joining the payroll during times of peak manufacturing.

Rhino customers are primarily utilities: cable TV, electricity, gas and telephone companies. And Scott needs plenty of manufacturing capacity. The company also produces trail markers that are used throughout North America. Rhino is one of the largest companies in the market, serving customers throughout the U.S. And Canada. The firm also has distributors in Ireland and Dubai. “The vast majority of people in our industry probably think we’re the biggest and clearly the industry leader,” he said. But, “There are five or six significant players in the market and hundreds of smaller companies,” Scott shared.

Most of the orders placed by customers are for customized products, which use the company’s colors, logo and telephone number to call before you dig. Every marker cautions the reader to call 811 (it’s the law) before you dig. Scott was on the Education committee for what was called the Common Ground Alliance to establish the 811 protocol when the number became standard industry practice in 2007. The committee continues to promote safe excavation procedures.

Thanks to big-time event marketing campaigns, the 811 number is getting a much needed image boost. The number was emblazoned on the shirt worn by the jockey riding California Chrome, the horse that came one race shy of winning the Triple Crown. NASCAR driver Joey Lagano is also sporting 811 on his Sprint Cup car.

Rhino has a team of damage prevention consultants who sell, but they also use also use manufacturers reps to market its products. The advantage of working with independent reps explained Scott is rep agencies specialize in industry verticals. For instance, one agency exclusively serves telecommunications and another may only serve gas and oil. Therefore, Rhino must work with many reps to blanket all its target markets.

“Fortunately for us, most of our products are almost exactly the same market by market except for the color and the printing that goes on them,” Scott said. “From a manufacturing standpoint, our job is easier.

Vistage—a growth catalyst

Not that long after starting Rhino, Scott began thinking about joining Vistage when a college buddy—who also owned a business—began telling him about what a Vistage membership has meant for his business. “My colleague couldn’t point to a particular instance, or speaker, but he noticed after a year or two his business started to accelerate in both profitability and sales. He attributed it to the combination of speakers and peer input from the executive sessions,” observed Scott.

After joining Vistage—more than 10 years ago—Scott asked his peer group to help him solve shortcomings in the operations side of his growing firm. His peers convinced Scott to hire a VP of Operations to focus more time and energy on fixing the issues. At first, Scott struggled with spending a lot of money for someone who wasn’t contributing directly to revenue, “But the group did a great job of convincing me it was the right thing to do,” he said.

“A couple of guys with deep manufacturing expertise were really great and took the time to interview the candidates. Ultimately, we hired the right guy for the position and it’s helped our company,” shared Scott.

Scott has also learned and applied much from the Vistage speakers that are part of every monthly meeting, he said, “Especially in the areas of marketing and sales.” Moreover, Scott found so much value in Vistage he enrolled three members in a Vistage key group: His VP of operations, VP of business development and general manager of Infrastructure Resources.

After Don Kielley—Scott’s Vistage chair—introduced Traction® and the Entrepreneurial Operating System® to the peer group, some members began incorporating the business system into their companies. Scott is just beginning to incorporate Traction into a few parts of his business to see how it could improve existing processes.

He said both Don, and his 14 Vistage group members are great at “Nudging me to make uncomfortable decisions that need to be made. Especially when firing people.”

“It’s nice to have this core of people who really understand your business because they’ve been around you and the business long enough. For me that’s a really big deal,” shared Scott. He said his Vistage group knows his weak spots and knows what to push him on. “I make my own decisions, but it’s always nice when you have a group to hold you accountable and help you avoid procrastinating on uncomfortable decisions.”

One of the weak spots early on was Scott’s inexperience with manufacturing and

operations. “Some of the guys who do have experience have been a big help when I had to make decisions on buying capital equipment or new manufacturing facilities,” he explained. His group members would even visit the plants and look closely at equipment.

“Chairman Don”

Don, his Vistage chair, also helps Scott focus on what’s important. “Don urges me to stay on the problems or issues that I don’t really like to deal with. He doesn’t let me push them into the background by bringing them up every month,” Scott explained.

“He also has a really good background in numbers; Don does a good job of making sure I have the right financials to make decisions with,” Scott added.

In looking back over a decade of working with Don and his Vistage peers, Scott said his membership in the group has greatly affected his sales and profitability.

“Participating in Vistage has no doubt had a huge impact on me being able to grow my bottom line.” **V**