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Savage firm takes Tekne 'green' prize

• Fabcon uses recycled materials in its highly energy-efficient precast walls.

By Neal St. Anthony, Star Tribune

Even if you don't buy into global warming, going "green" has the pragmatic effect of cutting expensive fuel bills and proving that your garbage may be somebody else's valuable raw material.

That pragmatism certainly applies to a Minnesota company that was named the winner in the Tekne Awards' first "green" category presented Thursday night by the Minnesota High Tech Association.

The winner was Fabcon, a quiet company in Savage that has evolved from a 1970s-vintage producer of precast concrete slabs into a manufacturer of highly insulated precast walls for big-box retailers, industrial concerns and shopping malls.

Fabcon sells to hundreds of customers, from Target Corp. to the Army, which uses the precast walls for barracks. This year, Fabcon launched its latest product: the VersaCore+*Green* wall panel. Nearly 60 percent of the content is recycled building and packaging materials, from steel reinforcing bars that were refashioned from melted-down cars and cans to reformulated foam insulation and "fly ash" from coal-fired power plants that mixes perfectly with cement.

The new product is lighter, stronger and more energy efficient.

Chief Executive Mike Le Jeune, the boss since 1996, credits investments in technology, worker safety and energy efficiency with helping propel Fabcon sales from about $200 million in 2005 to about $250 million at the 900-employee company, which manufactures in Savage and three other plants around the country.

Customers will pay for high-value, energy-efficient products that can insulate them from soaring natural gas and oil prices and because the investment can be justified by fairly quick payback in energy savings, Le Jeune said Thursday from a Fabcon plant in Indiana.

VersaCore+*Green* is only the latest in an increasingly energy-efficient line of products. The all-critical "R-value," the common method used by engineers and architects to measure energy efficiency of building materials, has increased from 2 in an 8-inch panel to 13 in Fabcon's 2007 VersaCore+*Green*.

The panels use less cement and more recycled content, including ash from coal-fired power plants and insulation that is lighter and requires less energy to manufacture.

"Why have we gone green?" Le Jeune asked. "Because the customer increasingly wants it."

Fabcon, owned by the family of Gerry Rauenhorst, founder of Opus, the development and construction company, also has been walking the green walk internally.

A 2002 study by the technical assistance office of the University of Minnesota documented investments by Fabcon to dramatically cut water use, establish its own water-recycling system in a water-intensive business, increase its content of recycled product and find commercial uses for its own waste that led to annual savings then of $200,000 a year at the Savage plant alone.

Fabcon's Jim Houtman recieving the Green Award at the 2007 Tekne Awards held at the Minneapolis Convention Center on Nov. 1. Presented by the Minnesota High Tech Association (MHTA), the Tekne Awards recognize Minnesota's outstanding technology achievements and leaders.

The company is in the process of upgrading and expanding its closed-loop water recycling system to 60,000 gallons daily.

"The safety and environmental things we do are in part required by the [government]," Le Jeune said. "We embraced the rules and went beyond them. I discovered that everything we did to make us a [safer and greener] company made us a better company.

"When you keep employees safe, you make them feel better and it saves money [on accidents and insurance]. It's also the right thing to do. When you recycle water, it's the right thing to do. And when you're innovative and do the right thing, I've found that you tend to do good business and make money. We've always focused on being the greenest product and now we're focused on going farther."

Window manufacturer Andersen Corp., which since earlier this year has powered its own heating and cooling plant with waste from its big Bayport window and door manufacturing plant, was another finalist in the green category, as was Cortec Corp.

Cortec's 10-year-old "Going Green" program has evolved into a successful line of corrosion control products derived from soybean and canola oil, and other renewable resources.

From biotechnology to advanced manufacturing and public-private collaborations, read about the other finalists and winners at www.tekneawards.org.