

CMC Rescue

Employee-Owned

Taking employee-owned business to new heights

CMC Rescue shows why its employee-owned culture is the key to its success

By Marissa Nall
Staff Writer

After more than two years in its headquarters at 6740 Cortona Drive in Goleta, CMC Rescue is broadening its footprint in the region.

The company has designed and produced rescue equipment as well as providing training in its use for more than 30 years. Recent construction, completed by local companies, transformed an nearby empty building at 6780 Cortona Drive into a sewing and manufacturing operation.

“It wasn’t in our plan but we ended up buying it so that gives us plenty of room for expansion,” said CEO Richard Phillips.

The decision demonstrates the company’s growth and its commitment to staying in the area, Phillips said.

“It’s a little bit more space than we need right now but that’s the best thing because we don’t see any circumstances that will require us to move or use more space.”

Last year saw its headcount increase by 15 percent to around 95 employees. With a revenue of around \$22.5 million last year, CMC Rescue has seen a steady five percent growth in 2015 and anticipates the same this year.

Much of its success comes from a strong company culture, Phillips said, fueled by its Employee Stock Ownership Plan. Employee ownership attracts people who are interested in building a career and keeps them involved in the progress of the company.

“It’s critical to have a culture that attracts people and makes people want to be there,” he said. “We’re very proud to have such a high retention rate and skilled employees making these products that people entrust their life to.”

Since employees own stock in the company, they are part of the decision-making process and share in its financial performance at monthly meetings. This leads to more engagement, Phillips said, and helps people understand the importance of their work.

“The employees are able to see the need and see the issue that needs to be ad-

“It’s critical to have a culture that attracts people and makes people want to be there.”

— Richard Phillips
CEO, CMC Rescue

dressed and they themselves can take the initiative. They’re empowered, they have more autonomy and they know where the company is going. Acting like owners is such a positive connotation.”

Departments also get a chance to explain their operations to one another. Employees take the opportunity to celebrate others who are making a difference within the company.

“I love the feeling in the room of other people caring about each other,” Phillips said. “It’s great to work someplace where people want to be there.”

CMC Rescue experienced high levels of growth during five out of the last six years. Its products are mostly sold to public agencies like fire departments.

“Our products are needed,” Phillips said. “They’re not a luxury. If they need it, they buy it. We have plenty of competition. It’s not an easy business to be in, but we don’t necessarily follow the same economic cycles.”

Sustainability is the top priority for the company. It plans to grow but not too fast, to avoid growing pains, he said.

It also likes to share information and business with other employee-owned companies, when possible.

“It’s a very open and sharing group,” Phillips said. “Businesses that have gone through the process and become employee-owned seem very welcoming about it.”

CMC RESCUE

Founded: 1982 • **Location:** Goleta • **Industry:** Manufacturing • **2015 revenue:** \$22.5 million • **Employees worldwide:** 95 • **Rank:** No. 10 (Employee-Owned)

CMC Rescue is an employee-owned company that designs and manufactures rescue equipment and is headquartered in Goleta. The company also provides rescue training.



COURTESY PHOTO



COURTESY PHOTO

Top: Co-founder Jim Frank, left, uses CMC Rescue equipment in a training exercise. Last year the employee-owned company saw its employment numbers grow by 15 percent. **Bottom:** CMC Rescue’s primary consumers are firefighters, shown above, and other first responder units.