

Staying Ahead of the Times

Time Clock Manufacturer Lathem Keeps Ticking in Atlanta

by Wendy Alpine

Lathem recently marked its 90th birthday with employee recognition, prizes—and a clock cake!

Lathem, one of the world's leading designers and manufacturers of time, labor and security solutions, celebrates its 90th anniversary this year. An employee celebration was held on September 9, 2009, which included honoring 10 employees with a combined 395 years of service with the company, including one employee with 50 years. Lathem also hosted 25 retired employees, two of whom were invited to share their 90th birthdays with the company.

Unlike many manufacturing companies that have seen their doors close over the years, Lathem has weathered several recessions and has emerged a stronger company, thanks in large part to its employees and product innovation. Founded in 1919 as a manufacturer of night watchman clocks and manual time recorders, the company today specializes in three primary lines of business: time and attendance products (manual and automated), synchronized clock systems (wired and wireless) and small business security solutions.

"We are excited to celebrate 90 years in business," says Bill Lathem, president and CEO. "Lathem's success is due in large part to our employees, many of whom have been with us for two or three decades and are like family. Our brand has stood the test of time because we design and manufacture products that are affordable, high quality and easy to use for the small business customer."

The Lathem Story

In 1919, when George Lathem and his son, Louie Sr., began selling time clocks, factories were one of the few markets for time recorders and night watchman patrol clocks. The Lathems traveled by train throughout the Southeast, getting off at whistle stops and looking for the telltale smokestacks of a potential new customer.

The expansion of the time recorder market began with the passage of the Fair Labor Standards Act in 1938, which required accurate time records. Increasing wage scales further added to this growing market. Following World War II, the Lathems resigned their sales relationship with another manufacturer and



Bill Lathem and Ann Hooper display the clock cake at Lathem's 90th anniversary celebration. (All photos by Sandy Hooper.)

began selling war surplus machines while developing their first Lathem product.

At about the same time, Harrison Hooper came to work for the Lathems. He was the engineering power at Lathem in the early years and helped develop Lathem's first time recorder. In 1947, Louie P. Lathem Jr. joined the firm. It was the same year that Lathem developed its first security time recorder—the Series 76 Lathem Watchman Clock, named for the company's former address, 76 Spring Street. During the next 10 years, Lathem began building a network of independent office supply and machine dealers that today stretches worldwide.

In the 1980s, management was ceded to the next generation

of the Lathem and Hooper families with the death of Harrison Hooper and the retirement of Louie Lathem. Bill Lathem became the chief executive officer and Ann Hooper became the chief financial officer. The company is now proud to qualify as a woman-owned business with the majority of ownership falling to the daughters, granddaughters, and great-granddaughters of the founders.

From Manual Recorders to Automated Systems

While many small businesses still use Lathem’s manual time recorders, one of the company’s most popular products is PayClock®, an automated time and attendance system for small business. PayClock integrates with major accounting software such as QuickBooks®, providing customers a complete punch-to-paycheck solution. PayClock’s automation reduces payroll preparation time by up to 80 percent and eliminates inaccuracies associated with manual calculations, saving up to 3 percent in payroll costs.

“Small businesses have similar concerns about time and attendance as most large corporations,” said Lance Whipple, Lathem’s vice president of sales and marketing. “PayClock provides an easy, affordable solution.”

In addition to keeping PayClock fine-tuned and upgraded, Lathem has plowed full-steam ahead with additional new product lines. Over the past year, despite the recession, Lathem launched the LX100®, a keyless door lock for interior doors that uses RFID (radio frequency identity) badges, and AirTime®, a wireless, synchronized clock system designed for education, health care, business and transportation industries.

The AirTime clocks, which also include a solar-powered version, provide accurate time to the second with no need for wires. College professors like them because they can be placed anywhere in a classroom, while manufacturing companies, dental offices and law firms say the key advantage over other clocks is that the AirTime clocks all keep the same time, thanks to a powerful transceiver that provides a centralized time reference source for an entire facility.

All of these products are sold through a network of dealers that serve a crucial role in educating customers about Lathem products. To better serve its dealer network, Lathem offers a separate dealer website that lets them order online, get technical support and obtain special incentives and pricing.

Employee Innovation Key to Lathem’s Success

When gas prices started going up three years ago and employees noticed that the increase was taking a bite out of their paychecks, Lathem put into place a commuter program that has received national recognition. Spearheaded by Lathem’s Director of Human Resources, Grace Perry, with the non-profit Georgia Clean Air Campaign, the program includes a four-day work week, telecommuting and vanpooling. Most of the plant shuts down on Fridays, offering employees a three-day weekend. The program was so successful it is now offered to front office staff and the tech support team.

Most recently, in an effort to help the company go green and save money, employees created a program called LEAP (Lathem



The Lathem 90th anniversary celebration.



Kathleen Eidsen, a Lathem retiree who celebrates her 90th birthday this year, receives an honorary plaque.



At the celebration, ten Lathem employees received plaques for more than 30 years of service. Top row, from left: Doyal Eubanks, Jerry Burns, Walt Pratt, Joe Haynie, David Gittnes and Terry Rackley. Bottom row, from left: Vicki Ferguson, Rita Henry, Sam Black and Johnny Brown.

Environmental Action Program) to reduce the manufacturing plant’s carbon footprint. As part of the program, employees are encouraged to conserve energy and recycle at work and at home. In just three months, the company has reduced energy expenses by 30 percent with simple steps such as turning off lights, shutting down computers, running equipment in the morning rather than the afternoon and keeping doors closed.

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Lathem's 90th Anniversary

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These programs, coupled with cross-training and even voluntary time off, have helped the company battle the recession and stay successful.

With the same foundation it started with 90 years ago, Lathem remains a family-owned company characterized by a family atmosphere. At the company celebration, many gave each other high-fives and claps on the back as they stood up to claim one of more than 20 prizes at the company 90th birthday celebration. Prizes included a digital camera, vacation getaways, \$100 bills, computer netbooks and even the Nintendo Wii. Many also enjoyed taking photos alongside the company's specially designed clock cake.

"It comes back to a family thing," said Ann Hooper, the company's CEO, whose aunt was one of the 90-year-olds celebrating their birthdays with Lathem.

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"There's camaraderie," added Nila Rose, an inventory control manager who has been with the company for 23 years. "People have a good attitude and work hard to keep the company successful."

That optimistic spirit comes from the top down at Lathem. With new products and business slated to come online in 2010, Lathem is poised for an upward trend.

"I think next year is going to be a good year—and the years after that," Lathem, said. "In the last 10 weeks, we've seen a positive trend. The future looks bright."

ABOUT THE AUTHOR: Wendy Alpine is president of Alpine Communications, an award-winning writing services and public relations firm based in Atlanta, specializing in small business and manufacturing companies. A former newspaper reporter, Alpine has authored several articles for large and small companies and provided internal and external communications. Alpine Communications is proud to call Lathem a client since 2001. Contact her at wendy@alpinepr.com



Ron Henricksen Presents Bill Lathem with Plaque Honoring Lathem's 90th Anniversary

Lathem celebrated its 90th anniversary in September alongside many dignitaries and friends, including Ron Henricksen, executive secretary of the Independent Time & Labor Management Association. Ron participated in the celebration by honoring Bill Lathem with a plaque commemorating Lathem's 90th anniversary.

"We are proud to celebrate this momentous occasion with Lathem," Henricksen said. "Lathem is a founding member of ITLMA, and we value our relationship with them. We wish them continued success in the future."

Among other dignitaries were Fulton County Commissioner William (Bill) Edwards and Hugh Floyd of the Georgia House of Representatives.