

Entrepreneur Uses Business to Transform Communities

Integrated Packaging Corporation grows to one of leading minority-owned businesses in U.S.

When Al Fuller left his hometown of East St Louis, Ill. in 1978, it had full employment. Four years later Fuller when returned from college his town was unrecognizable.

Four of the town's five factories closed, only the bullet factory remained, and unemployment skyrocketed to 50 per cent. With high unemployment came new needs: liquor stores and drugs were rampant.

Beholding the new reality in East St Louis, Fuller questioned what changed.

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Al Fuller shared how business can transform communities April 20 at SVN's spring conference.

"I came to the conclusion that the only thing that changed was the jobs," says Fuller.

"So, that was my decision — that what I was going to do for a living was figure out how to make something that somebody would buy ... and change communities through employment."

Fuller founded [Integrated Packaging Corporation](#) (IPC) in 1992, which manufacturers

corrugated boxes. The company hires low-income people and trains them in advanced manufacturing skills.

“I want to give poor people opportunity to work, that’s really my mission,” he says.

Headquartered in Detroit where the average unemployment for black males spans 18-35 per cent, IPC’s goal is to start people who typically have a high-school education at \$9 an hour and advance them into better-paying positions. The average rate of pay for IPC staff at its three factories is \$20 an hour, which staff can usually attain within three years.

“We’ve done a pretty good job of moving people from financial poverty to two times the poverty number,” says Fuller.

IPC has grown to be one of the leading minority owned businesses in the United States with sales revenue exceeding \$100 million per year. Fuller credits part of his company’s success to his client’s procurement policies that encourage buying from minority businesses, but adds the product still has to be exceptional and cost competitive.

He says IPC has been able to achieve quality by understanding its workforce. The company creates a professional environment and clear expectations. The bar is set at the customer’s level, IPC often works with Fortune 500 companies, and on Day 1, employees, regardless of their experience or skill level, learn Lean manufacturing skills.

IPC practices a three-strikes-you’re-out policy that fires an employee the first time they don’t show up for work, re-hiring them 30 days later. Fuller says IPC fires 50 per cent of everyone it hires, but only two people in 20 years have been fired three times.

Sharing the rewards has also been instrumental.

“We’ve had great success in the last 25 years... . We took 44 per cent of the company and turned it into an ESOP (employee share ownership plan) and made the hourly workers 44 per cent owners in the company,” says Fuller. “Most of the folks who retired with us walked away with \$100,000 cheques.”

Fuller's company has had its ups and downs but for the social entrepreneur, helping find opportunities for people of color continues to drive him forward.

"My work is what inspires me," he says.

Fuller presented Using Business to Revitalize Communities and Create Prosperity at Social Venture Network's (SVN) [spring conference](#) April 19-22. He is one of SVN's [Hall of Fame](#) honorees in the area of economic justice.

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