

Once based at home,
Fritz Ruebeck now runs
52-person business

By NICOLE SHELDON

According to Fritz Ruebeck, he likely had one of the largest home-based businesses—that he knows of, at least.

Ruebeck started Classic Automation LLC out of necessity in 2003. He was laid off in 2002 from ABB—a Swiss-Swedish organization that operates four global divisions in areas such as power grids, electrification products, industrial automation and robotics and motion. As global vice president of product service, Ruebeck was in service and marketing over the course of his 13 years with the company.

“I had this weird job where I had this high-level, high-paying corporate position, but it was this unusual global position in a complex matrix organization,” says Ruebeck. “So my skills were not that suitable for the Rochester market,” but he wanted to stay in the Rochester market to be close to his kids.

Ruebeck, 56, experimented with trying numerous different businesses on his own, and says he stumbled onto the business of selling spare parts and systems. He had old circuit boards and found that companies were interested in purchasing them.

In 2004 an Austrian man found Ruebeck and his business on the internet and requested that he sell Siemens parts for him.

“I told him that I don’t know anything about Siemens parts—I’m just a guy working out of my home. He said, ‘No problem, I’ll come train you,’” recalls Ruebeck. “This was in 2004, and I still work with this guy to this day.”

When Ruebeck was running the business out of his home, he says that at one point he had at least 10,000 circuit boards taking up space in his house. Granted, he did have an eight-car barn and a three-car garage, but every room in his house was also full of circuit boards or employee desks.

Classic was growing too fast to remain a one-man show, so he hired a handful of employees to assist him with his business. In 2006 he moved the business out of his house and into a 12,000-square-foot building on Monroe Avenue. By 2013, Classic had expanded to a team of 18 and the Monroe Avenue location was too small.

Classic moved to its current location at 800 Salt Road in Webster in 2013. The 41,000-square-foot facility is certainly an upgrade from their previous spot, but they are already in need of more space.

Five years later, the company now employs 52 people and stores endless parts, circuit boards and systems. In fact, Ruebeck is looking to complete a 10,000 square-foot addition by the end of the year to ensure enough storage space.

Fritz Ruebeck

Title: Founder and president, Classic Automation LLC

Age: 56

Education: Bachelor’s degree, industrial distribution, Clarkson University, 1984; master’s degree, information systems, Simon Business School, 1995

Home: Pittsford

Family: Wife, Cecilia Meagher; daughter, Chloe, 32; son, Dylan, 30

Hobbies: Yoga, tennis, reading, traveling

Quote: “I think one of our biggest constraints to growing rapidly is hiring a lot of knowledgeable people with technical skills. People who have those skills are already working, so they’re not readily available in Rochester.”

Classic Automation offers an extensive inventory of system parts, drives and servomotors to sell to factory and power plants to support their control systems. Classic also works with software, distributing the newest products to maintain clients’ existing programs.

The company almost exclusively relies on the internet to sell its parts and services.

“We don’t have any sales force. People find us over the internet. Some people buy directly on the internet, but that’s probably only a quarter of our orders,” says Ruebeck. “The rest is people finding what they need on our website and calling us or emailing us and ordering that way.”

Classic sells to 80 countries around the world. Roughly 50 percent of business was international for



Photo by Kate Melton

Man of a
thousand
parts

many years, but that number has recently declined to 40 percent. Ruebeck says the popularity of parts and systems ebbs and flows.

Furthermore, Ruebeck notes that Classic now supports a broader range of systems compared to the early days when they focused primarily on servicing Siemens and ABB.

“We’re an e-commerce company, and we’re bottom of the funnel sales, which means people are looking for particular part numbers and no matter where they’re looking—Google, Amazon, eBay—we need to be found,” says Tina McKean, director of marketing at Classic Automation. “We promote and bring our products to market via Google Shopping, Amazon and eBay. Our goal is to easily be found wherever our customers are searching and buying.”

Removing capacity constraints

Though the company takes up 41,000 square feet of space, Ruebeck is committed to fostering a family-oriented environment for his staff.

“I’m a very easy-going boss,” says Ruebeck. “For the longest time I used to bring my dogs to work. People would feed them all the time and we kept a biscuit jar by the door so every vendor that came in would give them a biscuit. We’re definitely dog-friendly—it’s hard to be mad at work if you see a dog wagging their tail.”

Dave Smith, vice president of technical operations at Classic Automation, adds, “It’s a very casual and uplifting environment. People are given the flexibility to perform to the best of their abilities and encouraged to do so.”

Margaret Nichols, vice president of customer service and human resources and one of the company’s earliest employees, concurs, noting that Classic is at once a professional and casual atmosphere.

Ruebeck says that he does not dedicate a lot of time to strategic planning since Classic is a smaller firm, but he and his team have outlined their intentions for the upcoming year and further into the future.

“The main goals for the short-term are removing capacity constraints that come up all the time,” says Ruebeck. “We’re also trying to keep up with the latest technology, and we’re always trying to expand our capabilities, looking at things like how we can add more testing, how we can add more support, how we can improve our processes.”

Long-term, Ruebeck is dedicated to keeping the business viable and vibrant. He has his sights set on how the world is evolving and what that means for Classic and how the company should change and adapt.

“Fritz is very forward-thinking,” says McKean. “I think that’s why the company is growing. If you just focus on today, you’re not going to move forward because the competition will leapfrog you. He’s very open to new ideas and looking at what others are doing and what we can do differently.”

Since its inception, Classic has steadily grown each year, boasting a total of zero down years. On average, its growth percentage has been in the double

digits, according to Ruebeck. In 2018, Classic did over \$12 million in revenue, and Ruebeck is projecting for at least 10 percent growth. And Classic is already on the right track; as of March, the company had already added three new hires.

Hiring qualified, talented individuals has been one of the most prevalent obstacles for Ruebeck and Classic’s leadership team.

“I think one of our biggest constraints to growing rapidly is hiring a lot of knowledgeable people with technical skills,” says Ruebeck. “People who have those skills are already working, so they’re not readily available in Rochester.”

Smith agrees, adding, “We’ve found that some employees rise to the occasion if they’re given the chance to do so. Oftentimes, someone hired for one position are a better fit for another position and flourish there. We try to give people the opportunities to try out other roles.”

“I’m a very easy-going boss. For the longest time I used to bring my dogs to work.”

— Fritz Ruebeck

Industry-wise, evolution is rapid so keeping up with technology changes can be tough. Ruebeck invests significant time and money into e-commerce and tracking things like which parts are selling, which ones are not and figuring out what the best avenues are for getting advertising in front of their audience.

“It’s also a struggle managing prices on these products because the prices for used, refurbished parts are like lobsters,” says Ruebeck. “If you see lobster on a menu at a restaurant it might say market price, and it’s the same way with the price of refurbished equipment. It’s based on market price and that’s constantly changing.”

Competition and customers

Classic is up against many competitors, and many are companies outside of the United States. Competitors springing up around the world is another possible reason for international sales declining. Ruebeck cites Radwell International Inc., headquartered in New Jersey with offices in other countries, as Classic’s biggest general competitor.

“There are a bunch of generalists, but Radwell is probably the biggest. And there are a lot of niche competitors that specialize in one or several product lines,” says Ruebeck. “We’re not as general as Radwell, but we’re relatively broad. We really try to provide great test systems for the vast majority of what we have, so that’s why it’s hard to become too broad.”

The key to Classic’s continued growth and success is its emphasis on solving clients’ issues, says Ruebeck. Employees are customer-drive and dedicated to delivering high quality work with fast turnaround.

“Our strongest point is customer service; we’re here for our customers,” says Smith. “Typically, our customers are businesses with older machines and...a lot of times they’re in dire straits and need assistance, and we do everything we can, even if it’s not always in our best interest commercially.”

Nichols has been working for Ruebeck since 2004 when Classic was home-based, and she says that Ruebeck’s philosophy is reflected in the way that employees communicate with customers and positively represent the company.

“Putting the customer first and keeping the customers satisfied with our products and services is his philosophy,” she says. “It’s always been a high priority.”

Ruebeck’s journey

Ruebeck grew up in Ridgefield, Conn. His first job was at 12 years old, filling up the newspaper machine at a train station near his home for the commuters heading into New York City. He likes to say he used to work for The New York Times.

The Pittsford resident went on to graduate from Clarkson University in 1984 with a bachelor’s degree in industrial distribution, now referred to as engineering and management.

Ruebeck moved to Rochester in 1987 for a job at Rochester Instrument Systems, an automation company. He had a wife and young child and could not afford to purchase a house on Long Island where he was living at the time. Through friends from college he landed a job that brought him here and introduced him to the automation industry.

He worked for Rochester Instrument Systems for two years before moving on to Combustion Engineering Taylor, which later became ABB. In 1995, Ruebeck earned a master’s degree in information systems from the University of Rochester’s Simon Business School.

His proudest accomplishment has been raising his two children, Chloe, 32, and Dylan, 30. In his spare time he likes to travel to places with rich histories and prefers not to visit the same place twice.

Ruebeck looks to serial entrepreneurs and billionaires Richard Branson and Elon Musk for inspiration. He finds them both to be fascinating and diverse in their interests, and he respects their philosophies.

Actually, one of his favorite quotes is by Richard Branson who conveyed the idea that as one grows their business, it is vital to transition from a business owner mentality to a CEO mentality. Business owners want to do all the work themselves. CEOs delegate everything and only concern themselves with strategy.

Ruebeck says that he has not yet made the transition to the CEO mentality, but he jokes to his employees that his goal is to do no work someday. Until then, Ruebeck continues to operate as Classic’s trusted leader with a business-owner mentality.

nsheldon@bridgetowermedia.com / (585) 363-7031