



Electric firm DC Group to expand at its north Minneapolis site

Article by: Neal St. Anthony

Star Tribune

May 29, 2014 - 8:57 AM

DC Group, a quiet, fast-growing electrical-industrial company, will announce Thursday that it's renovating and expanding its north Minneapolis headquarters and plant as its workforce grows from about 140 to up to 170 over the next couple of years.

"This area was not very nice, and the building was about to be condemned when we came in here in 1991," said CEO and owner Jon Frank of the facility at 1977 West River Road in an interview Wednesday. "We redid the building, and I like to think that we've built something from nothing. And I felt strongly that we should stay in north Minneapolis. We employ a number of Minneapolis residents. Our business is growing. So is our team. And now it's time to grow our space."

DC Group will invest \$7.3 million to redesign the building, add 25,000 square feet of office-and-warehouse space and build an 86-stall parking garage. The renovation also will include aesthetic upgrades, a roof deck, bicycle storage and a locker room.

Frank, who said he was pursued by at least two suburban governments to relocate to larger industrial parks, tipped his hat to Minneapolis City Council President Barbara Johnson, who led the effort to retain and expand the business. The city and state economic development agencies plan to provide several hundred thousand dollars in low-cost financing that is tied to job growth.

DC Group's revenue has increased from \$5 million in 2006 to \$28 million in 2013, while employment has grown from 40 to 140 workers.

DC Group provides equipment and maintains uninterruptible power supply (UPS) systems for large corporate customers, including AT&T, Kaiser Permanente, Verizon, Microsoft and Oracle, among other Fortune 500 companies. The equipment protects computer systems from power surges and transfers them to standby power sources in case of a blackout or brownout.

DC Group is a six-time honoree on the Inc. 5000 list of the country's fastest-growing private companies.

Frank, 44, and his late father, Stephen Frank, moved from Florida to Minneapolis in 1991 to buy the former Dave's Electric Co. on the North Side.



CEO Jon Frank said DC Group will stay in north Minneapolis, where he and his father set up shop in 1991.

Bruce Bisping • bbisping@startribune.com,



DC Group CEO Jon Frank said he had been approached by several local cities seeking to lure the company to suburban office parks.

Bruce Bisping • bbisping@startribune.com,



In 1991 DC Group moved into a decrepit North Side building.

Bruce Bisping • bbisping@startribune.com,

Stephen Frank was a commercial lawyer who was fed up with the practice after 36 years, and bought Dave's Electric, a longtime client, which was up for sale. The company had revenue of \$325,000 and mostly repaired and rebuilt electric motors.

"A small part of the business involved servicing a few of the early UPS systems," Stephen Frank recalled in a 2001 article. "Given the growing dependence on computers to run day-to-day business operations, I thought there might be some real potential in the UPS niche."

At first, the Franks tried to sell DC Group's services through manufacturers of power supply equipment, a strategy that landed a few small, local customers but in two years boosted revenue just 13 percent.

Eventually, the company landed Dow Chemical, its first big client, in 1995.

Corporate clients weren't the only reason for the ensuing prosperity at DC Group. Anxious to trim costs, manufacturers of UPS equipment also began to eliminate their internal service operations and turn the work over to DC Group by the late 1990s. The company's sales soared from \$370,000 in 1994 to \$3.4 million in 2000.

Neal St. Anthony • 612-673-7144

© 2014 Star Tribune