# Business North

\$2.95

The Region's Authority for Business News

April 2003



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## McNally supplies war effort; new owners plan to grow

By Pamela Rust

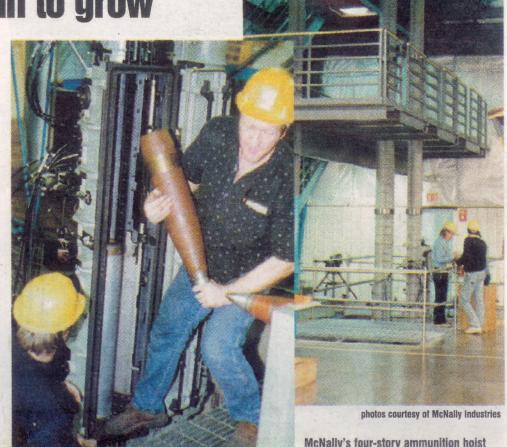
iny Grantsburg (pop. 1,407), 80 miles southwest of Superior, is home to McNally Industries, a defense industry supplier for more than 60 years. With new ownership, an infusion of investment dollars for working capital and acquisition, and an expanding defense budget, the company is poised to grow.

Launched in 1942 with a contract to produce a fuse bomb adapter during World War II, McNally has provided machine-precisioned components and systems for the Korean, Vietnam and two Gulf Wars.

It's manufacturing and assembling pump, cooling, hoist and ammunition handling systems and components used in U.S. Army Apache helicopters, Navy ships, Bradley Fighting Vehicles and other defense equipment.

In February, owner and president Albert Scheideler, 76, sold the company to investors with immediate plans to expand the defense business, and long-range plans to find a niche in the depressed aerospace industry.

Scheideler, who bought the company in 1983, will stay full-time for six months, then act as a consultant for two more



McNally's four-story ammunition hoist system, above, feeds a 5-inch Mk45 gun on a U.S. Navy ship deck. At left, workers test the hoist, cycling