

Economic RECOVERY

Hard work helps family that lost all build success



Contributed
Jack Khamken, top left, brother Jimmy, bottom row from left to right is Sherry, Tony, Peggy and Pat, all siblings.

Photo by Amanda Sowards Advertiser

The Khamkens were left with nothing after fleeing Laos at the end of the Vietnam War. But J&P Khamken Industries, which Jack Khamken, above, started after tiring of working in other people's machine shops, received a \$5 million government contract this year to build missile containers.

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The announcement of a \$5 million contract being awarded to a small Montgomery company didn't make big headlines when it happened. But at a time when the nation is struggling for hope and an economic turnaround, perhaps it should have.

Before Jack Khamken and his brother, Pat Khamken, could build their company, they had to rebuild their lives after fleeing Laos at the end of the Vietnam War with little more than the

clothes they were wearing.

Their father, Loy Khamken, had worked in Laos securing services for the United States in the war. Uniformed U.S. personnel were not allowed to operate in Laos despite North Vietnamese military activity there.

Once the U.S. military left Southeast Asia, the Khamken family joined a tide of refugees flowing from the country. Their first stop was a camp in Thailand, where they waited two years for permission to enter the United States.

In 1979, his father, mother and the rest of the family made it to America.

They wound up in the small Alabama town of Jackson Gap, where they started out working in the poultry industry for minimum pay.

They worked hard, both at their workplace and away from it. The brothers became U.S. citizens in 1985 and then got an education at a technical school in Opelika.

Jack Khamken studied auto repair, metal working and welding before taking a job as an assistant instructor at the school.

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In 1991, he moved his family to Montgomery, hoping to find better opportunities. Instead he found a \$6 per hour job in a machine shop. He took it and worked his way up.

Jack Khamken reached the point where he wanted to start his own business, rather than to continue working for others in Montgomery machine shops.

Jack and his brother, Pat Khamken, now CEO, started J&P Khamken Industries in 2000.

It was an ambitious name for a two-man operation.

At first, the company fabricated and repaired items for local manufacturers, most of which are defunct.

But the two-person shop slowly grew as demand grew. In 2003, the company moved into its current headquarters, then expanded it a couple of times to its current 27,000 square feet.

One of the company's key decisions was changing its focus from repairs to manufacturing. Soon it was building major projects, such as the frame for a rehabilitation machine for HealthSouth.

Jack Khamken decided military contracts would be the best way to further grow the business, so he brought on board another brother, Tony, who became the vice president of business development.

The younger Khamken worked with the Small Business Development Center at Alabama State University to learn the military's contract requirements.

Tony Khamken set the company's sights on the container deal.

"The missile container had been around for years," he said. "We bid on it and got the job."

The \$5 million contract calls for them to start making containers for the military's AIM-120 air-to-air missile this year. The weapon is used by Air Force F-15, F-16 and F-22 planes along with the Navy's F/A-18 to attack enemy aircraft. The missile is also used by other allied air forces.

The missiles are about 12 feet long, weigh more than 350 pounds and cost almost \$400,000 each. They are sensitive and must be handled with care.

That is where the aluminum boxes that Khamken makes comes in. The boxes each store four missiles in a sealed and protected environment.

The contract, which started in January, also calls for Khamken to make other products related to the storage and handling of the AIM-120, including maintenance stands, a container dolly and racks for the missiles.

In all, the deal will be worth at least \$5 million, and probably more, according to the Khamkens.

The business continues to expand.

The family owns four acres behind its modest warehouse on Lower Wetumpka Road, and is planning on expanding again as it pursues other military contracts.

Almost immediately after receiving this contract, Khamken expanded its work force.

Its work force more than doubled, going from around 20 to more than 40.

Jack Khamken said the company hires skilled metal workers, welders and machinists, then trains them to company standards.

With workstations crammed into the building and partially completed containers taking up plenty of space, the company expects to start expanding again soon.

"A contract that size creates a lot more work in our city," he said. "We already have a backlog."

He pointed out that al-

though the company's biggest customer might be the military, it isn't dropping the customers who helped it grow.

Once Khamken has a truckload of the carriers built, it calls a trucking company that ships them directly to the Raytheon Co. plant in Arizona that builds the missiles.

Jack Khamken said he currently ships about once a month and hopes to speed that to once a week.

While the company is clearly a family business, Jack Khamken said it was important to hire people who understand the customer's demands. To that end, the firm added Dwight Howard as chief operating officer and Dick Vancil as vice president of controls. Both men are retired from the Air Force.

Tony Khamken said that allows the company to keep the customer happy.

"We bring in experts and go after our vision," he said.

For Jack Khamken, keeping the customer happy was key to just getting the business off the ground.

"We wanted to keep our word on what we say we will do," he said. "We have to deliver a good product."

The family makes it clear they are proud to have the major military procurement contract that means growth to their business.

But they aren't just proud of the multimillion-dollar military contract they have received, but of the 30-year journey that has transformed them from refugees without a home to U.S. citizens with a successful business.

Revenues are booming at the company. They more than tripled after the military contract.

While Khamken plans on more profits, he said selling the company isn't a way he intends to create them.

"As long as I am alive, this is a family business," he said. "Our name means a lot to us."