60 years and still generating

MTU maintains a vigorous local presence

By Tim Krohn

MANKATO — The name MTU Onsite Energy may not be as familiar to locals as Katolight, but MTU is continuing to generate a powerful economic presence.

More than 300 employees, along with company and city officials is celebrated on Friday the 60th anniversary of producing generators in Mankato.

MTU bought Katolight in 2007 from then CEO Lyle Jacobson, who owned the company with his wife, Kay.

While the company’s business and employee numbers dipped a bit during the recession, they’ve been growing and adding workers.

With 350 employees, they are about a dozen shy of their employee count in 2007.

Jacobson, who visited with employees during the event Friday, said keeping the longtime company in town was a key goal when they looked for a buyer.

“ That was one of our goals when we sold it — that it would stay here and grow.”

Jacobson admits he’s a little disappointed the Katolight name was Please see MTU, Page A4
MTU: Started as Katolight in 1952

changed, but the name is still kept alive on a line of generators sold by MTU.

Jonathan Zierdt, president of Greater Mankato Growth, said keeping the company local was a big deal. "Any time a company changes ownership, there's risk involved."

Last year Zierdt and Mankato City Manager Pat Hentges traveled to Germany to meet with officials of Tognum, the parent company of MTU. He said the trip turned out to be unique.

"Of all the communities they operate in, we were the only ones who ever visited them and said thank you and asked what we could do to help. And they really appreciated that," Zierdt said.

In 1952, Katolight began when it was spun off of Kato Engineering, a business started in 1929 by Cecil Jones, who also founded Jones Metal Products.

Jacobson, the son-in-law of the late Jones, owned and ran Katolight for more than a quarter century. In 2007, Tognum Group acquired Katolight Corp. In 2008, MTU Onsite Energy was formed to consolidate MTU's power generation brands under one name.

MTU Onsite Energy has plants that build engines in Detroit with power generation systems manufactured in Mankato.

They have two production facilities in Mankato and recently rented a large building — the former Spartech site — from the city for storage.

Jacobson came to Katolight in 1979 and became CEO in 1986.

"We had 45 employees back then."

A former IBM executive, Jacobson introduced the first computer at Katolight in 1979. Even today, though, much of the work of building giant generators is manual labor.

"A lot of what's built is still done by hand. There's not a lot of robotics."

The generators are sold around the world for use as emergency back-up generators at hospitals and other facilities as well as for large livestock barns.
John Cross

Employees and company and city officials on Friday celebrated 60 years of production of generators in Mankato by MTU Onsite Energy (formerly Katolight).