

# Strategies: R.M.Wade keeps it in the family for 150 years



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Wade Rain President Ed Newbegin said the Tualatin-based irrigation products firm has lasted 150 years by having a willingness to adapt to change. “If you can’t adapt and change, and have a vision of the future, you are just left behind.”

## IN THIS ARTICLE

- [Agriculture](#) Topic
- [John Wade Newbegin](#) Person
- [Renee Fellman](#) Person
- [Robert Marshall Wade](#) Person
- [Susan Russell](#) Person

By [Rivkela Brodsky](#) — Contributing Reporter

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If you're as old as R.M. Wade & Co. and its offshoot, Wade Rain, you've survived your share of tough times.

“1929 was not a good year,” said Ed Newbegin, president of Wade Rain, a distributor of mining and agricultural irrigation products. “And neither was '95.

“And I mean 1895.”

The Tualatin-based company is celebrating its 150th year, most of it as a retailer and distributor of farm equipment that made it a key player in the mechanization of agricultural production in the Northwest.

To survive for such a stretch is remarkable in its own. Yet what's more impressive — and, in fact, odds-defying — is that it's done so under the control of the same Oregon family.

“For an entity to survive this long is truly amazing, remarkable, exceptional,” said turnaround expert [Renee Fellman](#), a former consultant to the company.

Now Newbegin and sister [Susan Russell](#), president of the real estate holding company that bears the company's original name, are guiding the family's fourth and fifth generation through its latest evolutionary phase: international expansion.

## **Decades of innovation**

The R.M Wade story begins in 1865 when [Robert Marshall Wade](#) — who came to Oregon 15 years earlier on the Oregon Trail — founded a hardware and dry goods store in Salem. The business grew, and by the 1880s included stores in Corvallis, Independence and Jacksonville. By the middle of that decade, the company would establish a headquarters in Portland.

In subsequent years, the agriculture industry would transform through technology. The Wade family didn't sit on the sidelines. It produced the Wade Drag Saw, which became a popular instrument in the logging industry before it was replaced by the chain saw. Then came Wade Rain sprinkler irrigation in 1936. The company made equipment for use on army tugs and components for aircraft carriers during World War II.

In 1987, an acquisition brought Wade Rain into the drip irrigation business. Later that year, Wade became the first company to successfully apply drip irrigation to leach mining.

Throughout its colorful history, the company survived the stock market crash in 1929, a disastrous fire to its Beaverton warehouse in 1975, a U.S. agriculture recession in 1980 and more.

R.M. Wade and Co. was at the forefront of bringing new farm machinery and technology from the East Coast or Europe to dealers in the Northwest for decades — a strategy the company relied on until the 1960s and 70s.

“Our value decreased when all the manufacturing just sold to the dealers,” said Newbegin. “We were bypassed by the wholesaler and there was no need for a middle man.”

But by the early 2000s, it became clear that the company needed to make changes.

In 2002, R.M. Wade & Co. moved the manufacturing of its products to other companies — 70 percent of products are produced in America, while 30 percent are made in China, India, and other international locations.

Two years later, with guidance from turnaround expert Fellman, the company split into two units. R.M. Wade & Co. became a separate real estate holding company run by Russell, while the business selling irrigation and mining products spun out into Wade Rain.

“It was very emotional to do it, but it was the correct business decision,” Russell said.

Fellman came in as a consultant in 2003 to assist R.M. Wade & Co. with making changes for survival.

“For companies to survive, first they have to recognize they have a problem,” said Fellman. “Sometimes they ask for help, and that happened in this case. Then, they need a trusted professional adviser who will actually recommend that they get help, and give them the name of somebody competent. And, this is important, they have to actually want to change something. People do not like to change.”

**Embracing change, family**

Both Newbegin and Russell, though, say embracing change has been one of the company's keys to success.

Another one of those keys: treating family members fairly.

“The family comes first and always has,” said Russell. “That can hurt a business, but it has worked OK because we have cared about everyone else.”

R.M. Wade, and now Wade Rain, is run by the Newbegin family's fourth and fifth generations. That fact becomes more remarkable considering just 30 percent of family-owned businesses survive into the second generation, according to a commonly cited statistic from the Family Business Review, a journal of the Family Firm Institute Inc. Once you get to the third generation, 12 percent continue to be viable, and only 3 percent continue to operate at the fourth-generation level and beyond.

“There was always this ethic of the family to keep the company going,” Newbegin said. “We're not the biggest; we've had a lot of ups and downs ... but we survived and we're growing.”

Newbegin's son, [John Wade Newbegin](#), is the fifth generation now involved in managing the company. He joined the company and founded Wade Rain of Mexico in 2001.

Today, the company looks at the international market as the area of agricultural growth. Once the largest farm equipment distributor in the Pacific Northwest, the company now generates close to 90 percent of its sales from international markets. Wade Rain plans to make its debut as an online retailer later this year, leading the curve in the industry, Newbegin says.

“The biggest challenge is change. When you've been in business this long, everything changes. The markets change, the products change, the distribution methods change,” he said. “It's hard to see the future, it's impossible, particularly when you are invested mentally in how you are doing things.”

“When you are around for 150 years, you have a lot of these challenges come up, and if you can't adapt and change, and have a vision of the future, you are just left behind.”

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## **CLOSER LOOK**

**The company:** Wade Rain and R.M. Wade & Co.

**Headquarters:** Tualatin

**Business:** Irrigation products

**Full-time employees:** 125

**Annual revenue:** \$41 million

**Website:** [www.rmwade150.com](http://www.rmwade150.com), [www.waderain.com](http://www.waderain.com)