

Trailblazing Through Today's Tough Economy!

By: Chuck Gerber / October 2009

Since the end of 2007, the construction industry has been feeling the squeeze as the economy has forced the slowdown of commercial as well as residential construction. Today, door and frame product manufacturers need to develop new and unique trailblazing ways to compete for market share with strategies that are in parallel with the cost cutting measures which architects, contractors, and distributors are demanding.

There are many excellent steel door and frame manufacturers in the industry. Today, they all need to re-evaluate how they can be successful in today's economy. Since 1946, Amweld has been manufacturing steel doors and frames, and their passion for promoting business growth has shifted them into developing new ways to battle the odds.

In January of 2009, Amweld International purchased the assets of Ark II Manufacturing, which included Amweld's highly recognized Laser-Edge welded door process, Firedoor Inc., and Independence Hardware. With a complete product line, they are aggressively attacking a smaller market opportunity created by the economy.



Scott Willson – CEO
Amweld International, Inc.

“With the current market opportunity reduced by 30+% you have to think like a Trailblazer today. Standard is not good enough anymore...and that relates to the way people work and think, right on through to how businesses operate,” stated Scott Willson, new CEO at Amweld International, LCC. “It’s not easy being a trailblazer today, but the key

is to be surrounded by passionate people who are committed to out-of-the-box solutions for the customers. Not only company management, but employees, vendors, and distributors all need to be focused on quick action ...with positive results. You just can’t sit still and wait for business to develop; you have to help make it happen. And to make it happen, you have to really think and act differently.”



Amweld's 200,000 square foot facility operates with state-of-the-art equipment, technology, and a cost-effective mind-set.

Management. This year, Amweld has placed people into management positions that are focused on results. Knowledge, passion, drive, and self-motivation are all key personality attributes of people who were placed into new responsibilities. It's not unusual to find many of the management staff at Amweld communicating to each other during the middle of the night. “We are all excited to make things happen, and our passion and excitement only breeds more passion and excitement throughout our staff,” stated Chuck Gerber, Vice President of Sales and Marketing at Amweld International, LLC. “Trailblazers have to be bold and not afraid to move forward. We all must focus our insight toward the demands of the market and create strategies and implement action plans with our distributors in mind. Our distributors mean everything to us manufacturers, and we know it is important to support their business.”

New Competitive Products. Within the past 6 months, the engineering staff at Amweld has developed many product enhancements as well as some significant new products that answer the industry's request for more competitive value-priced products. “New products that provide cost and/or time saving benefits to contractors will help contractors win jobs or stay within project budgets. To be competitive, manufacturers must provide value-priced products to distributors so they can sell and be competitive within their market, thus keeping everyone in business,” stated Mike Kolovich, Vice President of Engineering at Amweld International.

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"In today's economy, we all need to think like this... so we make products and projects more affordable; therefore keeping all levels of businesses operating...filling jobs and helping the economy move forward in a positive direction."

Engineering plays a key role in developing the competitive position of a company in today's economy. "We not only need to listen to the requirements and demands of our customers, but we need to remain very pro-active with product engineering. Developing new products that are value-priced and new product enhancements that provide time-saving deliverables are high priority to me," stated Kolovich. "The engineering approach is simple... think like a building owner, a contractor, a project manager, and a distributor...and then design and manufacture products that make sense to them in today's economy, not yesterday's economy. New products should all be designed to reduce costs at construction projects, because that is what is demanded today."

One significant new product developed by Amweld this year, allows the door, frame and hardware installation cost to be reduced by almost 80%. "Distributors are excited about these types of new developments, since it will help their business grow. We are moving quickly to bring these quality products to more markets throughout the world," stated Willson. "I don't know if other manufacturers are thinking the same way about new product development, but distributors and customers cannot wait. Our industry needs to move very quickly with decisions that will reduce costs on projects in today's economy."

Manufacturers like Amweld must continue to manufacture their high-end products... as they are specified by architects and builders, because of the long term life-cycle value they provide to projects. "Companies like Firedoor, which manufactures specialty products in Miami, Florida, continue to manufacture their Storm Guard® product line to the Miami-Dade County Building Code Product Control Approval System, which is recognized at both the national and international levels for commercial door opening performance standards in severe weather. Like all door and frame manufacturers, we must continue to manufacture products that meet the standards set by specific codes and requested specifications," stated Willson.

Branding & Communications. It is important to invest considerably in the branding and promotion of enhanced product offerings. "Printed material and

on-going communication throughout the industry is time consuming and costly. But, in today's times, communications about new products and any changes we are making in our operational procedures is immensely important to our distributors and their customers," stated Willson. "Keeping everyone updated, informed, and educated, as well as receiving feedback from distributors, allows us all to focus on the most current needs and demands...which are changing frequently. Just over the past 5 months, we have produced 10 new brochures, launched an on-line news communication program, updated our website, reorganized our price books, and we are constantly providing news information to customers and the media for publication."

Cost Effective Operations. Lean manufacturing also plays an important role today. "For years everyone had talked about lean operations...where more product and new enhancements could be completed in less time. If manufacturers were not prepared to practice lean operations, they are in a panic mode now," stated Darren Ward, Senior Vice President of Operations at Amweld International, LLC. "In 2007, Amweld began an enhanced lean operations process where steps were taken to prepare for the future. Over the past seven months we have made numerous technology, process, and quality enhancements within our state-of-the-art facilities that keep us in the forefront of streamlined, efficient manufacturing and distribution with the end goal of on-time and correct delivery to distributors."

It's tough, but companies need to continue to invest in quality equipment, new processes and good people, with an eye toward constantly looking at additional ways to maintain good customer service while managing costs to a minimum, which can be passed on to fuel the economy. "Our suppliers are huge business partners today. Their vision today is the same as ours --- Offer affordable, quality products and services that promote growth across the value chain enabling a healthy economy for all," stated Ward. Amweld consistently partners with suppliers, and continues to review different products, processes, and economic advantages that will promote a healthy industry.

Partnerships. Manufacturers should view their distributors as business partners. "If our distributors are successful in business, then we are successful in business," stated Willson. "We respect their feedback and requests, and we take affirmative action on ideas that will support their business growth." The key to success is not only listening to

customers, but being able to react quickly to their realistic concerns today. In these times, the concerns from distributors, contractors, and architects are usually cost related. "In order for projects to become reality, they must be affordable," stated Willson. "We need to do our part to make them affordable."

Innovative Sales Promotion. Most recently, Amweld launched a bold sales strategy that offered project managers working at general contractors a 2% manufacturer's rebate on a job, when they order Amweld products through an approved Amweld distributor. "Let's be honest, times are tough right now for everyone. Owners, contractors and project managers are looking for ways to save money, and our distributors need all the special support they can get to generate sales. Amweld has stepped up to the plate to provide a rebate so that everyone benefits...and we have also taken the initiative to organize the marketing and communication efforts to get the word out for our distributors about this innovative benefit," stated Willson. "This special rebate offer provides a win-win-win opportunity for everyone. It provides a savings that encourages the building owner to proceed with a project, it gives the project managers a lower cost to manage their budget, and it creates business for distributors. This is the type of campaign that fuels the economy."

"In these tough economic times, programs like this will lead the way to provide additional savings for many projects. Unique rebate offers with marketing support from manufacturers like Amweld, will continue to show manufacturers support within our

industry to help secure and solidify our future," stated Jeff Fender, owner of Frama Building Products, a door distributor in Addison, Illinois.

"We need something like this to give us whatever advantage we can to help us obtain contracts," stated Rich Ridolfi, of RJ Ridolfi Co., a general building contractor located in the northern suburbs of Chicago, Illinois.

Opportunities to sell steel doors, frames and hardware are not just available in the USA, and therefore many manufacturers are also reaching out for more international business. Amweld International is working hard to develop new relationships around the globe and is shipping product to the Caribbean, Central & South America, the Middle East, Africa, and Asia.

"A trailblazing company is one that is fighting the odds. A trailblazer takes bold steps forward and those that follow will also benefit from the rewards," stated Willson. "In today's economy, you have to take a strong, aggressive approach to business and move quickly... and not use blinders. We all have to step up to the plate to make things happen in a full circle so that our industry remains strong. As always, we welcome input from everyone in our industry circle. During these times, we just hope that everyone in our industry can contribute."

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