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A new day for Mexican manufacturing



**Copper & Brass:
Williams Metals and
Welding Alloys -
Sticking to the basics**

Sticking to the basics



BY LAUREN DUENSING

Williams Metals and Welding Alloys

is more than just another mid-level distributor trying to stay afloat

When you're a Steve Nash facing a bevy of Shaquille O'Neals, how do you keep up? Mid-level distributors in this dog-eat-dog business have to be quick on their feet and able to handle whatever comes their way.

Williams Metals and Welding Alloys, Wayne, Pa., got its start back in March 2002, "right at the end of the telecom bust with copper sitting in the low 70-cent range," says Joe Walton, president. He notes that this made it a difficult time to get off the ground but that it instilled a sense of survival in his group of employees.

Experience in the company's network of branches also helped. The company has locations in Wayne, Pa.; Mansfield, Ohio; Birmingham, Ala.; Concord, N.C.; Houston; Pittsburgh; and Garrettsville, Ohio. "The branches that make up the company have all been in business many years," says Walton. "They have all operated as stand-alone service centers or as part of a chain. Some of them have been in their local markets for 30 years and they've

In-house processing is one of the services Williams Metal offers to its customers.



been through the ups and downs of the different metal markets.”

Staying competitive

Since its somewhat rocky start, Williams Metals has experienced strong growth with sales growing 20-plus percent a year, Walton says. In addition, it has gained the support of every major U.S. supplier that it needs for its products.

One of the keys to the company’s success is that it makes an effort not to participate in markets that don’t make sense. “We don’t over-pursue, and we don’t try to be all things,” says Walton. “We stay out of markets where we can’t be competitive. You have plenty of large distributors carrying brass rod, roofing sheet and plumbing tubing. We don’t get into any of those commodity-based products where there is just not enough return for us.”

The company’s biggest customer base is in power transmission and distribution, and it also serves the switch-gear, mining, offshore drilling, electric motor repair and hydraulics markets. “We expect these markets to remain strong as long as there is a call to develop domestic alternatives to support our energy needs and wean us off foreign oil supplies,” Walton says. “Couple that with the repairs and rebuilds necessary from the natural disasters, such as hurricanes, of the past couple of years and the country’s antiquated power grids that are in desperate need of upgrades and it is a very positive outlook for us.”

The company also distributes welding filler metal, giving it a unique product mix. “We carry a full range of alloys on the wire side and that diversity really allows us to weather the ups and downs of the copper, brass and aluminum markets. Our welding filler metal is used in various markets, including fabrication, high-pressure cylinders, and both foreign and domestic automotive suppliers,” says Walton.

The importance of sales

The company continues to stick to

familiar territory when approaching sales. “We push for growth in existing accounts, which is a basic sales approach,” says Walton. “We don’t have salesmen driving nine states over to try to find the next big thing. We try to develop the local markets. We send our salespeople to each branch to cross-train them in each location’s key products. If we have a salesperson in Ohio that’s good with strip products, we send him to Alabama to make calls there with the local salespeople. It’s putting the expertise where you need it. Salespeople tend to sell what they’re comfortable

marketing, and two days later, they get the recommended sale price. Every person in the company has access to our costs. And we are able to get responses to our customers on the spot.” He notes that if you have to check with the office, many times you’ve just lost your opportunity.

The company’s focus on sales extends to the same salesperson handling both inside and outside duties. “In the the different geographies that we service, we’ve found that people are more comfortable dealing with someone that they can talk to, someone they can see



The company’s new MetSaw machine can cut plate up to 6 inches thick.

with and they will tend to focus on one market because they’ve had some success there. It’s a good training exercise for them to see other operations, how the material is handled, how the material is packaged, get familiar with the equipment capabilities and then they go out on the road with the salespeople there and offer what they can in terms of their expertise.”

Williams Metals also makes sure that its whole sales force is knowledgeable about the company’s costs. “A lot of salespeople out there don’t know what their costs are. They get an inquiry and they call corporate and they call

on a regular basis,” says Walton. “The person that customers talk to on the phone is the same person that takes them to lunch, the same one that looks for ways to help them improve their business. It gives a lot more direct contact with individuals, building a higher comfort level and a stronger relationship.

“There is a network in some of the smaller cities where there is a lot of word of mouth, and that really still is our best introduction to new accounts,” he notes. “Certainly advertising has paid off, leads generated from Internet advertising and cold calls from various directories, but nothing has changed in the way of

relationship selling. If you make the calls, if you develop the business and you consistently service the customer, they're going to recommend you."

Investing in the future

Williams Metals is continuing to make its services more valuable to its customers by investing in a MetlSaw, Benicia, Calif., precision plate saw. Walton notes that a lot of customers are looking to do a bit less work in-house. "In terms of the precision plate saw, we're now giving them a close-tolerance product that makes their operations more efficient by taking out the first-line machining."

Walton says that the new saw allows the company to hold tolerances of 0.002 on a cut, as well as cut plate up to 6 inches thick. It also allows Williams Metals to participate in a market void created by Wolverine Tube. "Wolverine exited the large cross-section bar market, and they were the only ones in North America that produced the product in an extruded form," says Walton. "Now we can run our own larger cross-sections in bar product that we don't have access to from domestic producers within a reasonable lead time."

"The strong market gave us the opportunity to put in a state-of-the-art piece of equipment that is as good as the biggest distributor has and allows us to offer more value and grow our sales in a market that we're already participating in," says Walton.

The company also partners with a waterjet company to give customers more options when it comes to first-step processing. "We can offer a finished part," says Walton. "We work with the waterjet cutter so the customer doesn't have to." He notes that these types of services are all part of knowing customers' needs and having educated salespeople asking the right questions.

An expansion of facilities is also in store. "Over the next 24 months, we are looking at expanding our North Carolina facility," says Walton. "Again, it is demand driven. Our customer base has grown to the point where to service it properly, we need a bigger facility. Our plan is to continue growth at a manageable pace so we can always stay one step ahead of our larger competitors and be able to respond to our customer requirements."



Reward for a job well done

For Williams Metals, there's no big secret to keeping up with the big boys. "We mix our purchasing with enough foreign product that we have a competitive cost of goods, and we get in front of the customer with the ability to respond quicker to their needs than the larger distributors can," says Walton. "We're all selling the same product. So what can we do differently? We can give timely, accurate solutions faster than the next guy."

And, to reward good response time, Williams Metals puts every one of its 49 employees on a commission or bonus-based incentive plan. "With everyone getting a share when the company does well, I think it makes the employees a little bit more conscientious each day, and that's all I ask. That's the good thing about having a smaller head count—every single employee is vital to our success and everyone is able to share in that success." ■

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