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## Baltimore wire firm thrives in troubled economy

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By [David M. Dickson](#)



"It's like shipping ice to Eskimos," Drew Greenblatt exclaimed, standing in the middle of his factory floor in Baltimore.

Mr. Greenblatt, president of [Marlin Steel Wire Products LLC](#), was pointing to a stack of boxes stamped with the American flag. Within hours, they'll be on their way to the other side of the world.

"A Taiwanese shipping clerk will soon be opening a box filled with wires, and the box says

["Made in the USA,"](#) Mr. Greenblatt chuckled. "We get a kick out of that."

A few paces away stood another stack of boxes. They were filled with telecommunications hardware headed for Singapore. Another case of selling ice to Eskimos, Mr. Greenblatt gleefully explained.

[Marlin dodged the recent recession](#) that clobbered manufacturers around the world. In the United States, total manufacturing output plunged 17 percent from December 2007 through June 2009. U.S. manufacturers have shed more than 2 million jobs in less than two years.

It is an understatement to say that the experience at Marlin has been atypical. This year alone, the Marlin work force has expanded from 24 to 33 employees. Sales in 2009 grew by about 20 percent, approaching \$4 million. Marlin will enjoy record revenues, record profits and record cash flow this year, reported [Mr. Greenblatt](#), who earned a political science degree from Dickinson College in Carlisle, Pa., in the mid-1980s.

Over the past year, Marlin has purchased two state-of-the-art, [high-performance robots](#) to maintain the company's productivity advantage over the ruthless competition it faces from low-cost labor around the world.

"This is how we beat China," Mr. Greenblatt said, pointing to a robot that cost him \$250,000 last December.

"China pays its workers 30 cents an hour to bend wire by hand," Mr. Greenblatt said. "I pay more than that in workman's comp, and health care for my workers costs a dollar an hour."



The quarter-million-dollar [robot](#) bends, shapes and cuts wire at the rate of 492 feet per minute. Once the machine is programmed by a skilled blue-collar worker, the robot can operate unattended for hours.

Eighteen months earlier, the machine would have cost him \$425,000, but the recession sent prices for manufacturing equipment crashing.

"I may be the only guy buying equipment in America today," deadpanned Mr. Greenblatt, who proudly

pointed to a \$60,000 [router](#) for which he paid \$35,000 in July.

After selling a company that produced burglar alarms in the 1990s, Mr. Greenblatt looked for another opportunity in manufacturing. He thought he found it in 1998, when he purchased a 30-year-old, Brooklyn-based company that produced wire baskets for the bagel industry.

After moving the factory to Baltimore, "I immediately ran into a buzz saw," he recalled. Not only did demand for bagels plummet as low-carb diets became all the rage, but the Chinese began selling bagel baskets for less than it cost him to buy the steel.

"It was transform or die," said Mr. Greenblatt.

An [order from Boeing](#) for a customized part proved to be an epiphany.

Manufacturing the part not only required Marlin to provide dependable engineering assistance, but the aircraft maker also needed the parts "unbelievably fast." Price was not so important. And so Marlin found its niche.

Marlin now produces [stainless-steel baskets](#) used in [hospital operating rooms](#). While China supplies the bagel industry, [Marlin's A-list of customers](#) includes the National Institutes of Health, the U.S. Navy, Lockheed Martin, DuPont, Rubbermaid, Roche and Raytheon.

To maintain its edge in innovation, Marlin hired four full-time [engineer/designers](#), and Mr. Greenblatt is interviewing candidates to fill two more slots. Two 30-inch monitors are mounted on each of their desks. Their work flows to eight computers located throughout the factory. Each factory employee receives his work orders via e-mail.

Hector Carmona earned \$8 an hour and received no health insurance when he worked at the company's Brooklyn factory in 1998. He rented his apartment and owned no car.

"Fast-forward 11 years," Mr. Greenblatt said as Mr. Carmona operated a machine that carries precision baskets through various stages along the assembly line.

Mr. Carmona, whose compensation is based on the number of [baskets](#) he produces each week, will earn \$60,000 including production bonuses this year. His benefits will be worth an additional \$5 per hour, including Blue Cross health insurance. Today, Mr. Carmona and his wife own a home and have two cars.



Essentially, Mr. Carmona, whose wife and family budget have gotten accustomed to the weekly production bonus, has become "an independent entrepreneur on Marlin's factory floor," Mr. Greenblatt said. "I don't have to be the heavyweight boss. Internal family dynamics are far more powerful than I am."

One cannot walk through [Marlin's factory](#) without noticing the huge banner above: "Marlin Steel Wire Welcomes Toyota."

Marlin supplies three of Toyota's 11 U.S. factories.

"We've read their book, and we aspire to their standards," Mr. Greenblatt says. "And we want to sell to all of Toyota's 11 plants."

From the \$800,000 in sales generated by the Brooklyn factory in 1998, Marlin hopes to hit \$10 million in three years and \$20 million five years after that.

Recently, Marlin landed an Austrian order potentially worth \$300,000 to \$400,000 per year. Marlin replaced a German vendor to capture the account. It may not be shipping ice to Eskimos, but it was a coup that Mr. Greenblatt clearly savored, knocking off a respected rival from 4,000 miles away.

More and more, he's focusing on the export market. "It's a big world out there," he said.

<http://www.washingtontimes.com/news/2009/dec/28/baltimore-wire-firm-thrives-in-troubled-economy>