



Marlin Steel Wire Products
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Gazette.Net

Maryland Community Newspapers Online

Friday, May 21, 2010

From wires to spices, a comeback

Manufacturing rebound might be here — or at least on the horizon

by Chris Huntemann | Staff Writer

The economic downturn that staggered the state's manufacturing sector might have bottomed out, as executives say they could be approaching the end of the tunnel.



File photo

Drew Greenblatt, [president of Marlin Steel Wire Products](#), says the Baltimore company is anticipating as much as \$5 million in sales this year and has hired workers and added two robots.

"The dark clouds are starting to clear and business is improving," said Matthew McCabe, vice president of sales and marketing for The Crowley Co. in Frederick, which manufactures high-end microform scanning equipment through one of its companies, Mekel Technologies.

Although the number of manufacturing jobs in Maryland already was dwindling before the Great Recession, the global economic slump that hit in 2007 fueled widespread layoffs in the sector.

More recently, manufacturing jobs in the state dipped from 117,100 in October to 114,500 in February, although preliminary numbers for March indicate a slight increase to 115,000, according to the U.S. Bureau of Labor Statistics.

Among the manufacturers laying off workers has been BP Solar, a subsidiary of British energy giant BP, which discontinued its production operations in Frederick and cut 320 jobs.

Nationally, the manufacturing sector "got hit very hard" from the end of 2007 through mid-2009, with output falling more than 16 percent, said David Huether, chief economist with the National Association of Manufacturers, a Washington, D.C., trade group.

"Furniture, wood and concrete manufacturers got hit pretty hard," he said.

However, the sector grew 7 percent through the second half of the 2009, Huether said.

"Temporary relief in the form of 'Cash for Clunkers,' the homebuyer tax credit and a pro-business tax credit at the end of 2009 helped boost manufacturing activity and spurred growth," he said. An increase in fourth-quarter exports also helped.

Year looks 'promising'

The employment numbers might not tell the whole story.

Among the Maryland companies seeing a rebound is spice maker McCormick & Co. of Sparks, which might have benefited from the recession, as more consumers now prepare meals at home rather than eat out, spokesman James Lynn said.

"Convenience is a big trend," Lynn said. "People don't want to spend a lot of time preparing meals and some of them don't have much expertise."

McCormick — with \$3.19 billion in sales last fiscal year, up from \$3.18 billion the previous year — hasn't laid off any of its 2,000 state workers, he said.

Family-owned Equipment Development Co. of Frederick saw its revenues fall in the past year, and although co-president Frank Stanczyk declined to disclose specific figures, he said, "It's not as bad as other people in our industry or other industries.

"We've always done well, but the last couple years we're doing OK," said Stanczyk, whose company manufactures tools that perform a variety of tasks with concrete, including cutting, grinding, polishing, sawing, drilling and demolishing.

The company, now with 66 employees, laid off six employees more than a year ago. But its sales in Europe, Asia, Australia and New Zealand are helping to make the rest of its fiscal year look "promising," co-president Edward Harding said.

[Marlin Steel Wire Products](#) in Baltimore is anticipating as much as \$5 million in sales this year, president Drew Greenblatt said. The company, which manufactures [steel wire baskets](#) and [forms](#) and fabricates sheet metal, has seen its competitors cut staff while Marlin beefed up its 30-person work force and added two robots.

The company spent about \$350,000 on the [robots, with one able to bend wire](#) at a rate of 495 feet per minute while the other cuts wood, Greenblatt said. He plans to spend roughly \$700,000 on two more robots, which also will bend wire and perform [precision sheet metal fabrication](#).

The jobs of some of Greenblatt's customers were pushed back because of the recession and there was "significant apprehension" among people who were doing bigger projects, he said.

However, Greenblatt said he has witnessed firsthand more confidence as the economy begins its slow recovery.

"I made 8,000 baskets for a client who needs 35,000 more," he said. Greenblatt also recently signed a lease to expand his facility by 6,000 square feet.

'Somewhat recession-proof'

Privately-held Crowley is "somewhat recession-proof," as its services "save our customers money," McCabe said. Its primary clients are university libraries, historical archives and societies, insurance companies and the federal government.

Its Frederick headquarters also is home to one of its imaging facilities, with the other in Ann Arbor, Mich. Its hardware manufacturing plant is in San Dimas, Calif.

The company doesn't disclose specific revenues, but spokeswoman Cheri Baker said it saw 10 percent growth from 2008 to 2009 and typically has annual growth of as much as 30 percent.

Crowley recently increased its marketing staff, McCabe said, and no layoffs have been made among its 170 employees.

The recession has had "relatively little impact" on the 100 employees at Stanley Black & Decker's plant in Hampstead, spokesman Timothy Perra said in an e-mail to The Gazette.

"While the plant is not directly involved in new products, the components manufactured there are used in both new and mature products manufacturing," he said.

'Next three years are going to be better'

It is difficult to generalize about the sector's recovery because there are so many different markets, Gene L. Burner said.

Burner, president of the advocacy group Manufacturers' Alliance of Maryland, said commodity producers, such as steelmakers, that depend on global demand have been "getting pounded" by the recession.

"The price is set on the global market," Burner said of steel.

"Employment is not picking up a lot" in manufacturing and it is "going to take some more time to build up requests for products," he said.

While the sector is "still holding on, manufacturers don't know they're out until they're out," Burner said, adding small manufacturers tend to feel the pinch more than larger ones.

The recession's effects are not as severe for employers that reap billions in federal contracts, such as Northrop Grumman, he said.

The military and aerospace contractor, which recently announced it will move its headquarters to Northern Virginia from Los Angeles, has been a "fantastic customer" of Fairchild Controls, said Scott Selle, president of the Frederick manufacturer. The company produces a vapor-cycle cooling system for one of Northrop's tactical aircraft pods and a supplemental cooling system for the B-52 bomber.

Fairchild — a division of Dutch aerospace and military contractor EADS' North American division — also develops, manufactures and supports aerospace systems for both commercial and military aircraft, including EADS' A380 aircraft, the Apache helicopter and F-18 Super Hornet fighter jet.

Fairchild's annual revenues are approaching \$70 million, Selle said, adding the recession's impact on air travel also hurt his company's work with commercial aircraft and led to a 20 percent drop in Fairchild's repair operations for the Boeing 747 product line.

However, the company's business has grown 40 percent since 2007 and new hires were made during the recession, Selle said.

"The next three years are going to be better than the last three," he said.

Steady decline

Number of Maryland manufacturing jobs (year ending):

2006: 133,300

2007: 130,900

2008: 123,900

2009: 117,300

March 2010: 115,000

SOURCE: U.S. Bureau of Labor Statistics

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