

Time to reorganize

With production, staffing down, Jordan Aluminum Extrusion prepares for rebound

BY ANDY ASHBY

With its business tied to the housing industry, Jordan Aluminum Extrusion Co. LLC has been working hard to overcome economic challenges in today's business climate.

Memphis-based Jordan Co. started the aluminum extrusion company in 1980 to supply its window and door manufacturing operations.

Jordan Aluminum Extrusion eventually began supplying other companies, such as National Guard Products, Inc., the company which purchased it in 2008.

After having a record revenue month in June 2006, Jordan Aluminum Extrusion's business has been challenged as many of

its main customers, window and door manufacturers, have gone out of business.

Jordan Aluminum Extrusion Co. LLC
Aluminum extrusion
HQ: Memphis
General manager: Lee Marshall
Employees: 40
Annual revenues: \$10 million
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"All that revolves with what happened in the housing market and the downturn there," Jordan Aluminum Extrusion general manager Lee Marshall says. "Our challenge is to try to branch out from those historic markets which we serviced and get Jordan in

front of some different markets which we haven't approached in the past."

Jordan Aluminum Extrusion has been doing that by positioning the company as a supplier which will do some different things than other extrusion operations.

The company has started exploring fabrication opportunities, inventory management and stocking programs.

It is looking at value-added services which maybe its competition isn't as willing to



James King and Lee Marshall check out the quality of some aluminum extrusions.

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supply. Extrusion companies have traditionally extruded aluminum and then sold it.

"Anything over and above that was usually not provided by the extruder themselves," Marshall says. "Either the customer fabricated the product themselves or inventoried it. We think that may be a way for someone to lower their cost of doing business by outsourcing some of that to the extruder."

During the slowdown, Jordan Aluminum Extrusion has been getting its cost structure in line. It has had a reduction in head count, from a peak of 325 employees in 2006 to 40 employees now.

During the reduced operations, the company has been investing in equipment upgrades and small capital projects which it couldn't do when operating at full capacity. Some maintenance work could take a week to complete.

"While we'd love to be operating two 50-hour shifts, we have been able to take advantage of this slowdown to really get our equipment in optimum condition," Marshall says.

When the company gets back to full capacity, it will be able to get a return on the investment through improved operations.

For example, the machines will use less hydraulic oil, therefore minimizing that expense. Also, machine downtime, which used to be 5% of operating hours, is now less than 1%.

The company will spend a few hundred thousand dollars on these projects, which should be completed in January.

Jordan Aluminum also has been reorganizing its marketing and sales operations.

The company has hired Robert Riede, owner of Hilltop Consulting, Inc., to tap into his extensive knowledge of the alu-

minum industry, in which he has worked since 1961.

One of his outdoor sales customers during his career included National Guard Products.

Riede has mostly been helping the parent company on the sales and marketing side.

"I've basically been a resource for them on whatever they don't know about the extrusion business," he says.

They have been working on a viable marketing plan and broadening Jordan Aluminum Extrusion's scope.

"Jordan is spreading out, trying to develop customers in other product groups and expanding on existing customers," Riede says. "Also, I think they're well-positioned because many extrusion companies have gone out of business or been consolidated."