

Ajax Innovator

News & Insight From Ajax Metal Forming Solutions

New Ajax Plant Serves Eastern US Raleigh, North Carolina, a “perfect location”



Leader's Message

From Kent Djubek, Ajax President

Are We Stuck In The FUD?

U.S. manufacturers have endured challenges from every direction over the past year and a half. Unfortunately, that's left some of us with a case of FUD: fear, uncertainty, and doubt.

That disabling attitude can infect our decision-making, stall our growth, and prevent the manufacturing economy from recovering as fast as it might.

Stepping back, though, our collective FUD is understandable to a degree. Let's put things into context:

1. Although steel mills in the U.S. and abroad are mostly back online, steel supplies are still super tight. As a result, prices are as high as I can remember.
2. HR teams across many industries are struggling to find qualified, reliable people. The good ones are scarce, and we won't/can't/shouldn't lower our standards to make up the difference.

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The New Competitive Advantage: Logistics

It was only a question of when and where.

When the Ajax management team began searching for a new manufacturing location back in 2020, they knew that emerging supply chain issues would enter the discussion. The pandemic had severely constricted trucking company operations.

Getting product to customers on time, long an Ajax selling point, was becoming more difficult (and costly) to achieve. Solutions were few. And what if this issue has legs? Would it stretch into 2022? 2023?

With all this in mind, the Ajax team fell back on a tried and true management idea: turn a problem into a competitive advantage.

With customers along America's Eastern Seaboard, that region became a target for the new Ajax location. The area offers a key shipping artery: I-95, which runs from downtown Miami to the Canadian border.

The team finally landed on Raleigh, North Carolina, only a stones throw from I-95.

“Proximity plays a huge role in overall customer satisfaction,” said Ajax Vice President of Sales Don Wellman. “This new manufacturing site puts us within a day's reach of our Eastern U.S. customers. From a logistics standpoint, it's a perfect location for us.”

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Sheet metal fabrication at the new Ajax plant in Raleigh, North Carolina.

Upcoming Events

Meet Ajax Vice President of Sales Don Wellman and Sales Engineer Jayson Marcott at these no-miss metal forming industry events.

Design 2 Part Show

November 17 & 18, 2021

Raleigh Convention Center, Raleigh, NC

Only 50 miles from the new Ajax fabrication plant in Wilson, NC, The Raleigh Design-2-Part Show is the region's largest design & contract manufacturing trade show. This event features American suppliers exclusively. Admission is free. Register at d2p.com.



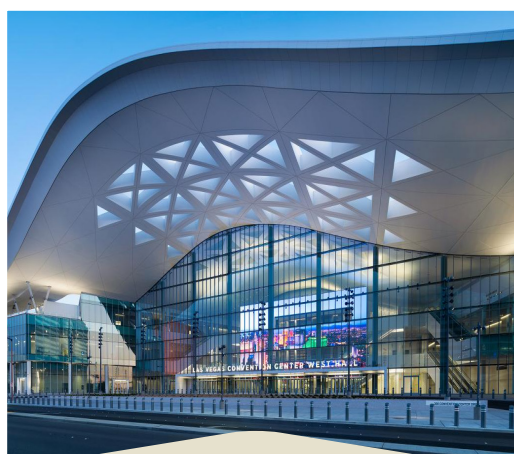
Raleigh Convention Center

2022 AHR Expo

January 31 to February 2, 2022

Las Vegas Convention Center, Las Vegas, NV

Held in conjunction with the ASHRAE Winter Conference, the AHR Expo is America's largest industry trade event dedicated to HVACR professionals. Register at ahrexpo.com.



Las Vegas Convention Center

Competitive Advantage (cont.)

But Why Is Logistics So Important?

Today's just-in-time procurement methods help OEMs reduce warehousing costs, preserve working capital, and keep lines running. But the flip side is low inventories that need constant refills. That dependence on regular, on-time deliveries can make manufacturers more vulnerable to part shortages and line shutdowns in the event of supply disruption. Causes include:

- Material shortages
- Global freight bottlenecks due to trade conflict, quarantine, or embargo
- Carrier interruptions due to storms, labor disputes or driver shortages
- Shipment damage from accident or load shifting



Getting shipments delivered to customers on time can be a challenge these days. Ajax took action and found a solution.

Ajax is keenly aware of these problems, and we view supply chain management as a core competency. Here's how Ajax excels in this area:

Readiness - We don't wait for something to happen. We take steps ahead of time by developing lean, air-tight production plans for each customer. We stay agile and super-responsive in case conditions change.

Local Sources - Local sourcing reduces supply chain risk factors. By choosing reliable providers that are right down the street, Ajax can maintain a solid logistical flow and keep the wheels turning.

Dynamic Warehousing - We can change the shape of our warehouse to fit the needs of customers. If an OEM requires special handling, we can adjust shelving, alter the bay order, consolidate pallets, and create custom packing.

Tested Workforce - Like most business issues, it all comes down to people. Our logistics and procurement colleagues here at Ajax know the importance of supply chain management and have created and run practice scenarios to shorten our response time and prevent decision-making errors at critical moments.

Clean, Safe Working Environment - Nothing disrupts operations like a lost-time injury. The Ajax safety team works diligently to keep our workforce right where we want 'em: safe, healthy, and on-the-job.

By recognizing that supply chain issues are of extreme importance to our OEM customers, Ajax management has established very high performance standards for all our logistics functions.

Through our Raleigh expansion and future investments, Ajax will reinforce our reputation as an innovative and reliable manufacturing partner.

Read more at Ajaxmfs.com > News

Photo Gallery Of The New Ajax Plant In Raleigh, North Carolina



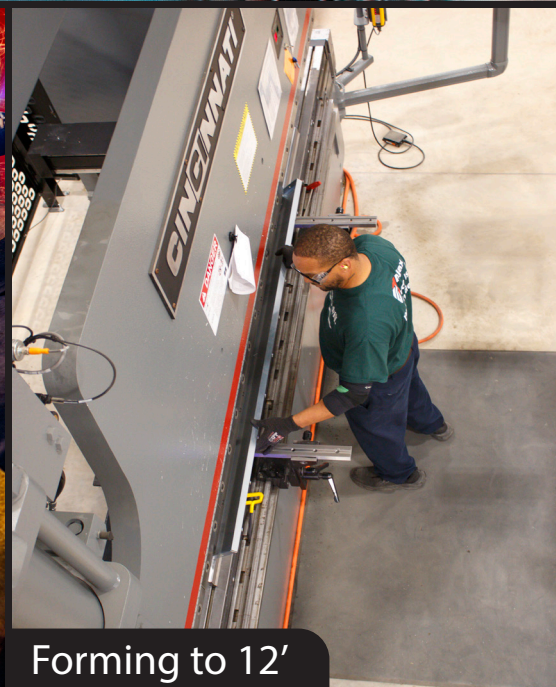
Fiber Optic Laser



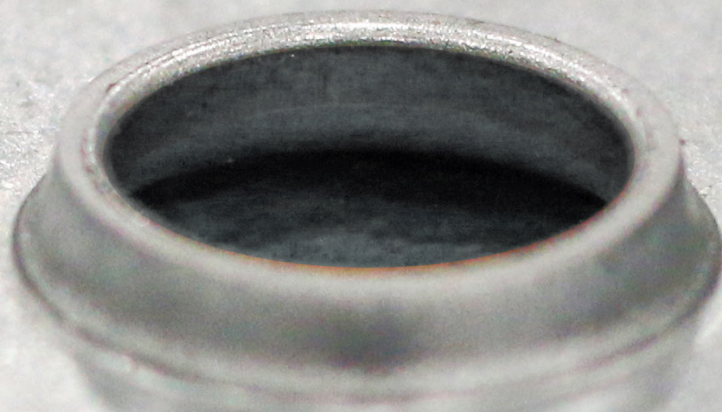
CNC Turret Press



Welding



Forming to 12'



Perfect Extruded Holes For Heat Exchangers



"Our colleagues are what make this company perform," said Ajax President Kent Djubek. "They continually pursue excellence in all that they do. We're fortunate to have a great workforce that our customers can count on."

Leader's Message (cont.)

3. While it's fun to see the purchase orders flow in, it's not-so-fun to feel the heat of shipping delays to customers. Our carrier partners are overwhelmed. They're offering unprecedented hiring bonuses to help recruit drivers, but the pandemic accelerated too many driver retirements. In addition, generous unemployment benefits kept many other drivers on the couch.



Ajax President Kent Djubek

These issues can be welded into a single problem: supply chain disruption. In my opinion, that's the most critical management issue manufacturers face today. But what can be done about it? What's within our control?

Here at Ajax, we saw customer proximity as a solution. We took the very bold step of expanding our geographic footprint in the midst of the pandemic. To the credit of my colleagues here in Minneapolis and our resolute ownership group, Heartland Equity Partners, we didn't hesitate.

And we now have a fantastic new fabrication facility in the Raleigh, North Carolina area to show for it. This new plant is already humming, and we'll use it to serve our Eastern Seaboard customers with faster project turnaround and way more logistics options. Right when our customers need it most. I encourage you to read about this new production facility on the pages of this newsletter.

Was it scary to spend millions during a time of economic shutdown? You bet. Did I experience a touch of FUD? Sure did. Any time you build a new plant, expect to build your character in the process.

As long as I've been in the metal forming industry, and that's 30-plus years, there's always been a storm cloud or two on the horizon. And we've always adapted and persevered. We had confidence that sooner or later, conditions would improve. They will this time around as well. And just think how awesome American manufacturing will be when we get to the other side of this supply chain crisis.

So let's shake off any fear, uncertainty and doubt. And let's remember that what makes American manufacturing great is our ability to learn from our problems and emerge from a crisis stronger, wiser, and better prepared.