

**MARLIN**



**Sheet Metal Fabrication**

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## the fabricator® blog

### Fabricating more value

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I'm glad I talked with [Drew Greenblatt](#) last week. Otherwise, news of waning manufacturing output might have gotten to me.

At Greenblatt's company, [Marlin Steel Wire Products](#), output certainly isn't waning. The 28-employee contract manufacturer has grown throughout the recession, and much of that growth has come from exports. It [sells products directly to Austria, Australia, Canada, New Zealand, Switzerland, and the United Kingdom](#).

[Greenblatt has been active](#) in organizations like the National Association of Manufacturers, has more than once made his way down to the [Capitol to give testimony](#), and has been all over the national media. He's made his voice heard in a big way.

The company is a new player in the sheet metal business. This year it stepped up its presence with the purchase of a [new TRUMPF turret punch that can operate at 900 strokes a minute](#). But most company growth in recent years has come from precision wire basket business.

Greenblatt, a self-described "serial entrepreneur," purchased Marlin Steel Wire in 1998, when it was based in Brooklyn, N.Y. The company had 1950s-vintage machine tools and employed workers who didn't make much above minimum wage—and for good reason. The company sold bagel baskets, and in that world, "precision" was anything less than plus or minus 1 inch.

In other words, Marlin made a commodity product, so it was little wonder that when the bagel market contracted (thanks to the Atkins™ Diet that reduced our appetite for starch), global competition swooped in. A Chinese firm offered baskets for less than it cost Marlin just to buy the steel that went into them.

“After that, we were toast,” Greenblatt recalled. “It was a one-two punch.”

But then somebody from [Boeing called on Marlin](#) and made a unique request: a wire basket for the company’s assembly operations. And for this, loose tolerances weren’t acceptable. Greenblatt knew the product would take extra work, so he quoted a high price, with a per-piece cost much higher than the company’s bread-and-bagel (so to speak) business.

Boeing accepted.

At that point Greenblatt had an epiphany: People are willing to pay for [good quality and fast turnaround time](#). More than that, if Marlin could add value—really get to know customer problems and develop solutions—the company could build a stronger business. He realized that many manufacturers may be expert in designing their own products, but they might benefit from a fresh approach to their material handling and manufacturing options, made possible by something they may not have thought of: a specially designed steel wire basket made just for their operation.

Today about 20 percent of Marlin’s work force is designers and manufacturing engineers. The company, now located near Baltimore, doesn’t play the routine RFQ game in which umpteen contractors swoop in to bid on a product. Instead, Marlin personnel visit customers’ facilities to see if they can design a system to make their life easier. In the past solutions involved primarily steel wire, but today the shop is selling both its wire and [sheet metal cutting and forming capabilities](#). Greenblatt explained that this was one reason that the small job shop is able to sell nationally and internationally. His staff isn’t quoting on parts; they’re [designing solutions](#).

This seems remarkably similar to another story *The FABRICATOR* ran recently on NEX Solutions, a plate fabricator in Michigan (of all places) that experienced double-digit growth throughout the economic downturn. Both NEX and Marlin circumvent the RFQ, and both learn a lot about their customers’ operations. It’s less about making this or that part, and more about sitting down with the customer, finding their pain points, and discovering solutions that reduce or eliminate that pain.

NEX and Marlin continue to do well in a lackluster economy. A recent New York Times article summed up the economy nicely: We’re in the midst of a long deleveraging cycle. Everyone, from homeowners to businesses, was leveraged out way too far, so everyone is pulling back. And people don’t pay off debt overnight. “Deleveraging cycles are rare,” the article stated, “but five to seven years is typically what they take.”

During this time, people are looking for better, more efficient ways of conducting their business. The companies that are [developing solutions that increase efficiency](#) are, in essence, helping their overleveraged customers pay off more of their debts sooner. Judging by the performance of metal fabricators playing in this arena, there is money to be made.

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