

Metalist thinks small

Doraville firm finds niche with little users

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Two square feet of aluminum plate. That's all Georgia Tech needed.

The inch-thick metal would be cut into small squares, drilled with a few holes and used as specimens in mechanical engineering 4055. The students would use machines to rip them apart, watch the strains develop in the metal and measure the force it took to tear them into pieces.

Most suppliers require a minimum purchase in weight or cost, usually hundreds of dollars. But like a homeowner buying wood for a bird feeder at the local hardware store, Tech's prototype shop wanted only to buy the materials it needed, said John Graham, machine shop manager.

He called Metal Supermarkets in Doraville, which quickly sent the plate. It cost \$66.

"This fits well for us," Graham said. "We don't have a large budget for material, and we don't have space to store a lot of stock."

And that — small quantities and specialized requests — is the core of the business at Metal Supermarkets.

Founded in 1985, the Toronto-based company is a chain of franchises, with 81 stores in five countries. Unlike some of the huge suppliers, the idea is to carry a wide range of metals, especially aluminum and steel, in tubes, sheets and angled lengths.

"The key for us is to have it in stock, because most of the time they say, 'This is something I want now,' " said Michael Anderson, owner of the Doraville franchise. "The big guys may have a skid with a hundred sheets and I may have five, but I'll have much more variety. And people call and say, 'I want four of this, three of that, two of that.'"

"If we stock the part, we will cut it to the size they want. We'll cut it, chop it up, drill holes in it — whatever you need."

Most customers are machine shops, plant managers, government workers, artists and universities like Georgia Tech. Small, specialized orders also come from hobbyists of varying stripes and vehicle enthusiasts.

They need one or two pieces for a drip pan, shelves, storage, sheets to cover a wall. One of the more common requests is aluminum tread plate, used for floors and walls.

"Someone comes in with a drawing of a restaurant or freezer or trailer," Anderson said. "They want some aluminum plate, say. They want it sheared to size with holes in it so they can screw it to the floor."

To slice thicker metal, up to three-quarter-inch thick, the company uses a plasma cutter. Thinner pieces go to a larger chopper.

"It's like a big pair of scissors," Anderson said. "You put the metal in, move your hands way far, far away, and turn it on."

Smaller, faster

In the warehouse behind the front office, a space heater sits on the concrete floor, fighting a losing battle with January air flowing through open doors.

A few yards from the back, racks hold scores of rods, tubes and angled bars. The ends of the metal are painted orange, blue or red, each color designating a length.

Because the store carries a range of inventory, it often hears from large companies. They might generally buy from suppliers that are much bigger than Metal Supermarkets, but the larger vendors take longer to deliver an order.

"General Motors is one of our biggest customers," Anderson said. "They'll say, 'I need 400 feet of angle this afternoon.'"

But a typical order is not from GM, and it runs \$150 to \$200. Many are the metallic equivalent of kiwi fruit at a grocery — something unusual that is nearly always in stock. That is because the customer's need may be unique.

For instance, there are few companies building a contraption for trashing cars, the reason for a recent order from Teknacon of Kennesaw.

The company is a forensic accident investigator. The device under construction would simulate impacts on vehicles, said engineer and company co-owner Andy Gilberg.

"The object is to smack the side of car doors and see what it takes to open them up," he said.

Teknacon went to Metal Supermarkets for I-beams that would bolt the thing to the floor. And they ordered some long tubes to serve as pendulums doing the smacking.

It would have been too expensive to buy from a supplier that imposed a minimum purchase, Gilberg said. "We are a small fish and we buy small quantities."

That has also been true in the owners' sideline: an enthusiasm for old racing cars, mainly those from the now-defunct March Engineering, which made Formula racers.

"We made various bits and pieces for the cars," Gilberg said. "And people who need materials don't always want truckloads of them."

Recent years have seen fairly dramatic change in metal markets — mostly in price.

Gargantuan demand for materials in China has been an obvious factor. While China's growth has slowed slightly, the demand for metals and construction remains much higher than a few years ago.

Aluminum up 35%

Aluminum plate prices have climbed about 35 percent in a little over a year, Anderson said. "And there was a while when stainless steel was going up a couple of percentage points each month."

For customers who complain, Anderson posts some commodities history: "I say, there are charts over there. I just let people read them."

Yet rising prices have not chilled the business.

The Doraville store now ranks third in sales among the chain's U.S. stores, Anderson said.

"It's a good business for an old guy. The product doesn't go away. It doesn't break. It doesn't get stolen because it's too heavy. It doesn't become obsolete. It's business-to-business. And it's repeat business — customer service does make a difference."

Anderson came into the industry about eight years ago.

"I started with a road map and a phone book, and I thought it would be easy. But it was like learning how to play a piano without a teacher."

He had been national sales director for the supply division of Unisys when there was a corporate shuffling that eliminated one of the top jobs.

"So there was one guy who was vice president, one who was national sales director and one guy who went into the metal business."