



XTREME STEEL & PROFILES

No plate or sheet job is too big or too small for this Georgetown, Ontario operation

By Jim Anderton, Editor

Steel sheet and plate seems like a commodity business to many fabricators, but in Georgetown, Ontario, north-west of Toronto, Xtreme Steel & Profiles attacks the multiple problems of low and medium volume part making with a mass-production mindset. Occupying 27,000 square feet of high-bay with extensive gantry crane coverage, the firm is co-owned by four partners, Norm Banton, Gerry Rowley, Gord Fawcett and Neil MacLennan. Xtreme launched in 2010, when Norm left his previous employer and decided to strike out on his own. Gord Fawcett was a perfect fit, owning a pre-existing manufacturing company (Innovative Steel Systems, Inc.) with room to spare, and bringing some starting equipment into the operation.

“We know plate”, says Norm, adding, “we set out a game plan and we contacted everyone we knew in the industry and took a nibble out of the market, which kept us under the radar. Eventually, the cat was let out of the bag, but every customer we had previously was feeding us business.” Why do it? Gerry Rowley says simply, “Because we could. We had many years working together and we knew the formula.”

For Gord, moving into the sheet and plate business was a tactical move that suited his preexisting business goals: “It was a win-win situation; I had a 94,000 square foot building and I was only occupying 20,000 square feet and quickly learned that it was a difficult challenge to fill it with tenants. It worked, but my long term goal was to align myself with companies I’d have an ownership position in.”

With sheet and plate experts eager to start a new company combined with a partner with industrial space and steel fabricating management experience, it’s no surprise that Xtreme has hit the ground running. Gord describes the beginning: “I had a pre-existing table burning for parts that I was using for a product I made in house, but I learned quickly when cutting for others that it’s a tough game without the right buying and the right customers. Norm brought his experience in the sheet and plate business, and I brought machine knowledge and ancillary equipment for milling, drilling, tapping, etc.”

Xtreme is not a mild steel shop. The firm cuts high strength and high hardness grades of ferrous plate for multiple industries requiring heavy-duty, tough application parts such as mining, construction and heavy machine

building. For abrasion resistant applications, for example, Xtreme works with ThyssenKrupp XAR series of grades with hardness approaching 600 Brinell and for structural uses, CSA grades like the popular “44W” and “QT100” are available in thicknesses from .188-6.00 inches. For severe service applications requiring light gauges, Xtreme offers the specialty grade SWEBOR 500 starting at 3mm thick.

While flame cutting is still a component of the business, the centerpiece of the Xtreme operation is a Messer precision plasma cutting system. The HPR400XD 12-by 80-foot table is mated to a pair of TMC4520 gantries for downdraft high performance bevel plasma cutting of up to 2-inch plate. Multiple oxy-fuel torches are available for thicker plate. “Downtime is expensive”, says Norm, adding, “You need high value added services. That pointed us to the Messer. We entertained many machines but the Messer allows us to lay a plate down, drill holes and cut to finished parts. The price of steel is the price of steel, and the market’s the market...it’s what you do in between that determines how many quarters you get to put into your jeans at the end of the day. We knew how to do it from our previous experience and that is to do it in one set-up.” Cleaning out kerf and slag is more than a nuisance when cutting plate at the thicknesses Xtreme handles. Banton notes that previously a machine could be down for two



Flame cutting of thick plates is handled by this multi-torch unit



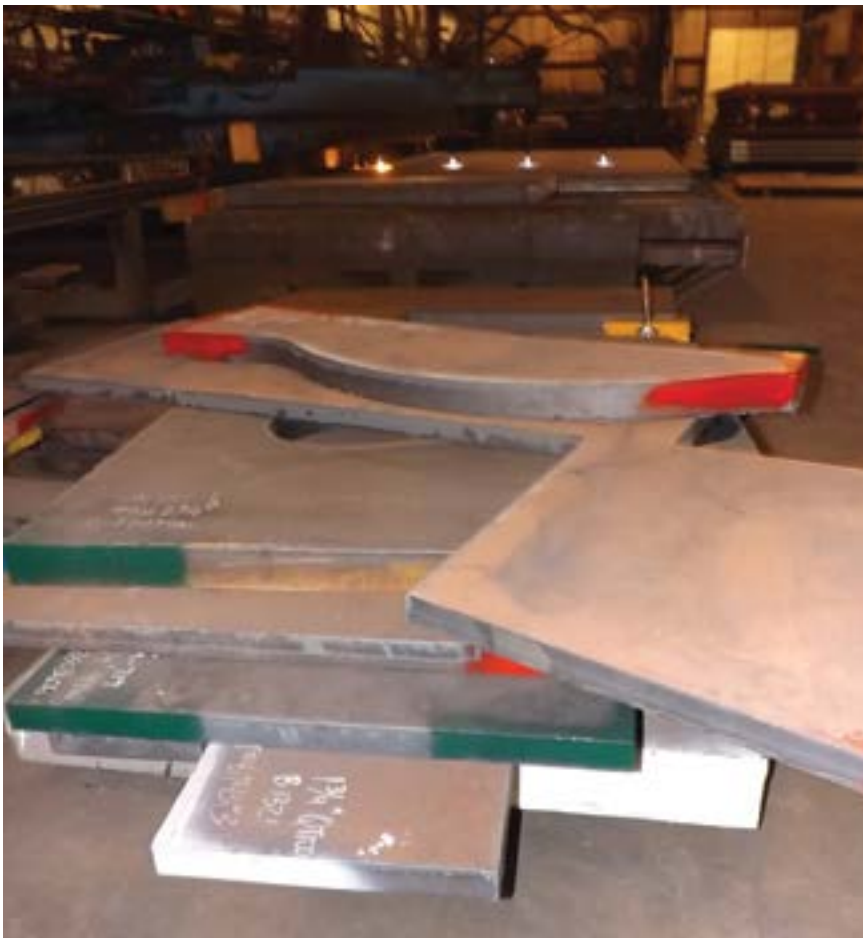
Made in-house, these racks are drop in replacements. Combined with the Messer’s built in slag removal system, downtime is minimized



The Messer system allows complex cuts like this counterbore



Xtreme’s new Messer precision plasma cutting system



days removing and replacing racking and cleaning the bed. “With the new machine, at the end of each day, you hit a button and a slagger system cleans out the entire 80-foot length. There’s no downtime. Tables are a simple lift-out setup. We have spares on hand; if an operator burns out one area ahead of others, it’s a simple job to replace it.”

Gerry echoes the efficiency theme: “We made the same parts before the Messer ... the guys would load and handle the parts to load other machines as a secondary process. Handling is huge. We had to get better to make better margins. And you can’t easily automate the process. If the machine’s not cutting, you’re not making money with it.”

For parts that require secondary machining, Xtreme has an in-house capability through ISS, although demand will drive Xtreme to purchase a machining centre soon, along with a brake. Growth

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has been exponential, and with rapid growth came the inevitable growing pains. Norm says, “It’s nice to have a building and cranes and equipment, but you need credit to buy inventory. We had a service centre that gave us a \$15,000 credit facility and by the end of week one we were at \$60,000. We’ve grown to the point that we deal direct with the major mills ... but we still have a great relationship with that first supplier”. Gord identifies capital as a major factor going forward: “It’s about financing the growth. The busier we get, the more inventory we need and the bigger the working capital. We started off self-financing, but recently CIBC has stepped up.”

Xtreme currently employs 17, but the firm’s rapid growth has brought the inevitable need to address the labour issue. According to Norm, “we’ve gone through a number of people to get to the team we have now.

We’ve gone through 10 to keep 2. The team we have now are all ‘keepers’. As specific as we are about the job requirements, we get lots of applicants with mis-matched job skills. There’s a danger side to this industry. Most of what we do will kill you if it falls on you so it requires a safety mind set. We use a recruiting company. That costs money, but at the end of the day it draws out people from the industry. We’ll be hiring again soon. Since 2010 we’ve expanded twice.” In a soft market, Xtreme is prospering, in no small measure because of the enthusiasm the partners show for the business and the industry as a whole. Norm Banton summarizes it succinctly: “I love coming to work. You make a decision and right, wrong or indifferent, you learn something every day. Xtreme Steel & Profiles is perfectly named. Everything we do is extreme.” **CM**