

**SUPPLEMENTAL PACKET**  
**FOR** 12/17/2013  
**(DATE OF MEETING)**

**Tigard Ec. Dev. Business Profile and Visit Summary**

**Date:** December 11, 2013

**Company Name:** Williams Controls – Tour of Production Facility

**Naics Code:** 336390

**Address:** 14100 SW 72<sup>nd</sup> Ave, Tigard OR, 97223

**Contact:** Ashley Williams                      **Title:** Production Manager

**Phone:** 503.684.8600    **Email:** [abutler@williamscontrols.com](mailto:abutler@williamscontrols.com)

**Company Description:**

Williams Controls makes the peddles, joysticks, and sensors that move equipment (tractors, trucks, forklifts etc). Williams Controls has production locations in Oregon, Suzhou China and Pune India. The Tigard location handles US and European demand for product for companies like Navistar and Daimler. 126 employees in Tigard with a small expansion of assembly line workforce. (They don't actually have an assembly line – they use the "lean manufacturing" model for "cells" of production.) They customize products and quantity to any client.

The company was purchased in 2012 by Curtis Wright Controls (NYSE: CW) in order to provide that company with a more horizontal and vertically integrated production line. This creates an opportunity for the Tigard location to source more products and enter new markets in collaboration with PG Drives Technology and Penny Giles. Company recently began with "on road" products for trucks and added production for "off road" equipment which now provides 30% of their product demand. Now exploring entry into the recreation sports machine market (Polaris snow cat).

Company also prototypes products in-house using a 3-D printer they purchased in 2006.

**Competitive Advantage:**

Marketing and product synergy as part of a conglomerate in vehicle controls. (New as of this year.)

Based upon the company's auto-centric history, they apply very high quality control standards to products via in-house testing (shake, bake, broil, burn, etc).

**Challenges/Opportunities:**

We talked about Prostep training grant for their engineers and sales people as well as the Oregon Trade Promotion to help them expand to new overseas markets. They have new finance team so they might be interested in the export assistance from Business Oregon and SBA.

## Tigard Ec. Dev. Business Profile and Visit Summary

**Date:** November 27, 2013

**Company Name:** Consolidated Supply Co. (Corporate HQ)

**Naics Code:** 5070

**Address:** 7337 SW Kable Lane, Tigard OR, 97223

**Contact:** Bob Bruce                      **Title:** Senior Vice President & CFO

**Phone:** 503.906.3203    **Email:** [brurob@consolidatedsupply.com](mailto:brurob@consolidatedsupply.com)

### Company Description:

Consolidated Supply Co. provides wholesale supply of plumbing and waterworks - "middle of the supply chain" - for fixtures, mechanicals, and commodities (pipe). Family owned corporation operating for 85 years. Now run by the 3<sup>rd</sup> and 4<sup>th</sup> generation.

Supplies for underground waterworks are 1/3 of their business. The other 2/3 of business is supply for commercial and residential contractors as well as a retail show room (other firms started doing this, so now they do too). Company includes **sixteen locations** in Oregon, Washing and Idaho. Ten locations also have retail showrooms. Tigard location handles wholesale, retail and corporate HQ. Tigard location is largest by size 6.7 acres and employment - about 100 employees. Company employs 300 total. Seattle is the second biggest facility. Consolidated several locations during recession.

### Why Tigard:

Built Tigard location when it was in the middle of nowhere. Now, very pleased with access to I-5.

### Competitive Advantage:

Broad and deep inventory with ability to offer credit to trade and contract customers. Long lasting relationships with manufactures and producers, but company is not large enough to supply a brand of their own (larger wholesalers increasingly offer this). About ¼ of market share in the markets for which the company has a presence. Competitors include: Keller, Ferguson, HD Fowler. Most of product is sourced in USA and North America. Nationally ranked in the top 40-50 for their industry.

### Innovation and Growth:

Recovery from recession over the last two years by diversifying business to include more commercial products. Added a product line of digital water meters just over a year ago. Two years ago, began supplying "fusion pipe" HDPE plastic that is fused, not coupled like pvc or steel.

<http://www.youtube.com/watch?v=jSobPhQGqac>

### Challenges/Opportunities:

Transitioning back into a growth mode and hiring. Challenging to find outside sales reps, estimators, and drivers. We talked about *Worksource* and Prostep training grant. Opportunity to encourage continued diversification of product line including overlap with industrial processing where similar materials are sometimes used. Also, pairing with local sources. Limited amount of equipment in warehouse/yard.

## Tigard Ec. Dev. Business Profile and Visit Summary

**Date:** December 4, 2013

**Company Name:** Fought & Co. (Corporate HQ)

**Naics Code:** 3400

**Address:** 14255 SW 72<sup>nd</sup> Ave. Tigard OR, 97223

**Contact:** Steve Fugate                      **Title:** Operations Manager

**Phone:** 503.639.3141    **Email:** [sfugate@foughtsteel.com](mailto:sfugate@foughtsteel.com)

### **Company Description:**

Fought & Company imports steel components (plates and beams) and uses them to manufacture steel bridges and structural support for buildings (typically 6 stories and up). Products arrive via rail and flatbed truck. Bridges are assembled on site and then disassembled for shipping to projects along the West Coast. 60% of their business is "structural" work for buildings. The remaining 40% is bridge construction.

During the recession the company laid off 30 union employees – mostly from the shop. Current employment is 113 with a typical full capacity of 140 employees working two shifts. 83 union employees handle production. 30 employees are in office and management. The company did upgrade some systems \$250K during the downturn.

The company was created by Joe Fought, sold to investors in the 70's and then repurchased by Fought through a conglomerate. At full production could be generating \$50 million/year in sales.

### **Competitive Advantage:**

Reputation and focus on bridge production. Considered one of the premiere bridge construction companies on the west coast. Non union shops have been out pricing on bids for structural projects up and down the west coast. Bridge construction has a high barrier to entry due to state and federal credentials. Structural steel does not have similar requirements. Competitors include Utah Pacific and Oregon Ironworks.

### **Innovation and Growth:**

*Tentatively* exploring ways to innovate in project management through the front office and tentatively exploring alternative products to increase demand for services. Example – manufacturing of steel buckling restraint braces designed by engineers for buildings. **Challenges/Opportunities:**

Challenging to find skilled journeyman and supervisors given the rate of retirement. We talked about Prostep training grant (very interested). Opportunity to encourage continued review of processes and project management efficiencies as well as exploration of new product lines. Also, occasional equipment upgrades \$250,000 to \$2MM in expense.

**Tour & Discussion Included:** Mike Williams from Business Oregon, Mayor John Cook from Tigard, Craig Lundskog CFO and Chris ? HR.