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After fire, manufacturer makes big comeback

Advanced Coating Technology rebuilds

By John Hilton

The fire that ripped through the wooden roof of Advanced Coating Technology in Mechanicsburg could have left the small business itself amid the charred remains.

From its founding in 1976, ACT steadily built a successful business applying engineered coatings for a variety of clients. But the small business (the company employs 17 people) wasn't equipped to handle a major disruption like the March 2006 fire that destroyed 20,000 square feet, or two-thirds of the building space.

Several important machines were lost as the roof caved in and damaged machines and destroyed offices. All production equipment in that area was eventually scrapped.

But President Joseph A. Turri Jr. and ACT staff responded by working around the clock with suppliers, customers, contractors and the insurance company to quickly rebuild the company. Most employees stuck around through the transition phase.

In five weeks, the company was back in limited production in the 10,000 square feet not affected by the fire. Once the initial rush of responsibilities were met, the rebuild actually made ACT a much stronger company, Turri said.

A new steel roof is much safer and stronger, while the new equipment is designed with energy efficiency and the typical ACT part size in mind.

"We were able to change the plant layout to streamline the movement of product," Turri said. "Rebuilding was an opportunity to improve our entire process."

Down and up

Despite the opportunities for internal improvements, the fire had a significant impact on the bottom line. The total fire-related loss came in at \$1.8 million. Revenue dropped 16 percent in the following year, Turri said.

But by the time the calendar turned on 2009, revenue was back to pre-fire levels.

"I think he bounced back from the fire well," Mechanicsburg Mayor Jack Ritter said of Turri. "It was incredible that he got right back in business there. Most shops would fail with that sort of thing."

The company's versatility helped ACT rebound fast. It serves a broad range of customers that include Harley-Davidson Inc. and the U.S. Navy.

In some cases, the company deals directly with the customer. In others, it serves as a subcontractor on a job for partners in the foundry, metal fabricating, machining and stamping industries.

"We have a pretty diverse customer mix,

and we like it that way," Turri said.

The ACT factory is currently busy coating exhaust components for Harley-Davidson plants in York and Kansas City. The special coating must withstand temperatures up to 1,000 degrees, Turri explained, but looks are also important. The parts are finished in a specific black color.

"There is a cosmetic side to it," Turri said. "For most of the customers we have, there is a visual quality level that is pretty high."

Environmental concerns

The industrial coatings industry is phasing out solvent-based paints in favor of water- or powder-based coatings. Turri said ACT is "more than happy to follow that evolution" since it is better for the environment.

At ACT, an employee sprays the powder coating on parts that pass by on a slow-moving assembly line. The parts then move through a 380-degree oven, where the powder turns into a gel that bonds with the surface.

Several years ago, ACT added a robotic application to handle a key function in the assembly line. The increased production from the robot actually created a bottleneck in another area, Turri said.

"We'll continue to look at automation carefully," he added. "It doesn't fit every process we do."

Turri, who serves as ACT's salesman, said the company has a steady stream of business that ebbs and flows with the season. Production varies from motorcycle parts in spring and summer to



Joseph A. Turri Jr. is president of Cumberland County-based Advanced Coating Technology. In the background, Jeff Bigler sprays powdered plastic coating onto a retail display frame at the Mechanicsburg company. - (Photo / Amy Spangler)

wood and pellet stove parts in fall and winter. The post-fire rebound was quickly followed by a nearly 30 percent drop in revenue during the economic downturn.

Since then, ACT has been on a 57-month run of steady revenue growth. The company is a longtime chamber member and a valued member of the community, said Jeff Palm, executive director of the Mechanicsburg Chamber of Commerce.

Turri "could have easily moved into an industrial park or something like that," Palm said. "You have a manufacturing facility in the middle of a neighborhood and he reinvested in that neighborhood and kept it going."

