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The rise of small steel

Fabricators in the Lehigh Valley pay good wages to skilled craftsmen who make products for clients around the world.

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Everyone in the Lehigh Valley has heard stories from the bygone era about Bethlehem Steel helping build the Golden Gate bridge and providing structural steel that supports half the New York City skyline.

But you might not know that a company in Bath is working on bridges in Pittsburgh and Manhattan. A machine shop in Northampton is building kilns for a cement plant in Michigan. Or that welders and machinists in a 100-year-old plant in Allentown are building stainless steel parts for a geothermal power plant in Indonesia.

Long after the death of steelmaking in the Lehigh Valley with the end of Bethlehem Steel, a metal fabrication and machining industry thrives in the Lehigh Valley. The companies are small, with fewer than 150 employees, and privately held. They are nimble and diversified, able to adapt to new technologies and market trends.

The industry employs several hundred people in the Lehigh Valley, but pinning down a precise number is difficult. The jobs, which include welders, fitters and machinists, are categorized in various industries in data compiled by state and federal agencies.

Business is quite good, according to interviews with several of the companies.

For instance, venture capitalist Ed Brill purchased an Allentown plant in 2005 to start BVI Precision Materials and has since built its work force to 130 employees, from about 30. Orders are coming in faster than the company can turn them around, creating a \$50 million backlog, he said.

"I'm not Bethlehem Steel. I don't want to exaggerate," Brill said, sitting in a conference room at his plant. "But

steel is back."

Industry experts say the area has a high concentration of specialized plants able to provide steel for large transportation projects and such heavy industries as cement factories, rock quarries and power plants. Part of it is the legacy of Bethlehem Steel and the large number of skilled craftsmen remaining in the area.

Passing down tradition

In BVI's South Allentown plant, the Lehigh Valley's industrial roots are on full display. Skilled craftsmen work machines that cut and contort steel into different shapes. Sparks fly near welding tables, and a machine that punches holes through steel plates sounds like gunfire.

Workers on the shop floor earn up to \$25 an hour, according to the company, an example of family-sustaining manufacturing jobs that are otherwise dwindling in Pennsylvania.

At his welding table, Jim Thorpe resident Bob Grover had a Salem cigarette dangling from his mouth while he flipped through plans in a binder. His arms are covered with white burn scars. His craft requires a steady hand and the ability to visualize a three-dimensional product from drawings on paper.

"We take the parts and put them all together according to the drawings and weld them," he said. "You have to want to do this job, and not just to pay your bills. You have to want to do it."

Grover is nearing retirement, and finding replacements for such craftsmen is a challenge. BVI seeks younger workers interested in learning a trade.

Whitehall resident Shane Schmoyer is one of them. Before BVI purchased the plant, Schmoyer spent five years working in its shipping and receiving department, packing parts for cement plants into giant crates that are shipped around the globe.

He was laid off, and when he came back there was an opening in the welding department. He took the job to learn a challenging trade, to boost his earning potential to better support his wife and two children, and to learn skills he could use on his cars and motorcycles.

He also sees a future in it because there is demand for experienced craftsmen as baby boomers retire.

"It's good work," he said. "It gives me a sense of pride. When you finish building a giant dredge and see it sitting in your department, you think, 'Wow. We did that.' "

The emergency room

In a 42,000-square-foot shop at the end of Smith Lane in Northampton hides a small-business success story. Harold Keeney started Atlas Machining and Welding there in 1981 after he lost his job at Coplay Cement.

In 26 years, he built the business up to about 65 employees and about 500 regular customers, all through word of mouth. The company nicknamed its shop the "emergency room," because when cement plants break down, it gets a call. And it works round-the-clock to get customers back in production quickly.

"We've gotten calls at 9 p.m. on Christmas Eve," Keeney said.

Customers include stone quarries in New Jersey, and they've machined copper coils for nuclear submarines. Often, they partner with other metal fabricators who need help with big jobs.

"There's enough work out there that we share business," said Lisa Erie, Keeney's daughter and vice president of

the company.

Bridging spans

Michelman-Cancelliere Iron Works in Bath specializes in structural steel for bridges, with projects along the East Coast and as far west as the Rocky Mountains.

Two companies with long histories, Bethlehem Contracting Corporation of Bethlehem and Michelman Iron Works of Brooklyn, N.Y., started working together on projects in 1992 and officially merged in 2002.

The company in 2002 helped rebuild train tunnels in New York City after the 9/11 terrorist attacks, providing structural posts that support train tunnels running beneath the Hudson River between Manhattan and New Jersey.

But the attacks also leveled a blow to the industry. The cost of steel spiked upward and government funding for transportation projects dried up, said Eric Michelman, one of the owners.

Today, government contracts are coming in and the prices compensate for higher steel and fuel costs, he said. Some of the company's recent projects include the 100-year-old Williamsburg Bridge that spans the East River in Manhattan.

And earlier this year, the company delivered two 100-foot long sections of structural steel for the 31st Street bridge spanning the Allegheny River in Pittsburgh. Each piece weighed 20,000 pounds.

"It's been better for us than it was," Michelman said. "The past few years, our end of it was horrible ... It's taken us years to start adjusting."

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