This Baltimore-based company marks 25 years of toll processing surface-critical nonferrous material.

> Maryland Metals Processing tabbed Italy's Imeas to provide its coil and sheet polishing equipment. The toll processor can polish 60-inch coils wet or dry. (Photo courtesy Imeas)

meas

Maryland Metals

f there is a governing principle guiding Maryland Metals Processing, it might be this: Stick to what you do best.

While many service centers choose to dabble in toll processing, and some toll processors are tempted to buy and sell their own material, Maryland Metals remains a purist, focusing on its core strength: toll processing nonferrous metals. Company President and CEO Ken McAvoy has no designs on expanding to become a service center. He has no plans to take on carbon steel. He just wants to keep getting better at the services the company offers: cutting to length, slitting, polishing and shearing aluminum and stainless.

Thus far, it's a vertical specialty that has worked. Since

its founding in 1990, Maryland Metals has grown to process nearly 15 million pounds a month—a volume that requires consistent investment in new equipment.

"Processing white goods is different from what I'd call non-critical carbon. There's critical carbon, but generally speaking most of it isn't," McAvoy says. "Everything in white metals, stainless and aluminum, is surfacecritical. So we have to be committed to being state-ofthe-art processors."

Maryland Metals operates a Herr-Voss Stamco 80-inch cut-to-length line, a Herr-Voss 60-inch slitting line and a 72inch Red Bud multi-blanking line with a Herr-Voss leveler. It also runs a 60-inch Herr-Voss Strand Extensioner slitting



MCN Case Study: Maryland Metals Processing

line, plus a 60-inch wet or dry coil polisher and a 60-inch dry sheet polisher. The polishers are both made by Imeas. "The best polisher today is, unfortunately, made in Italy, not in the USA. Imeas is the leader, and everyone with good equipment has one," he says.

Maryland Metals also offers shearing for valued customers, but that type of manual work is not a priority. "It's tough to make a living on piece work if you're paying your guys a decent wage," he says.

McAvoy is adamant about remaining a 100 percent toll processor, bucking the trend of toll processors adding stock or, even more common, service centers adding tolling. He says it's simply a logical business decision. Why compete with customers? "Am I better off having 500 salespeople that I work closely with [at mill and service center customers], or trying to compete against those 500 with 10 or 20? It doesn't make much sense to me."

McAvoy has enjoyed a long career in the metals business, starting with Eastern Stainless and moving on to Main Steel. He opened Maryland Metals in January 1990, initially leasing 5,000 square feet of the 165,000-square-foot building he now owns. That square footage understates the space, which has very high ceilings for stacking of product.

Ten years ago, he brought his son, Nick, into the fold though he had to bend his rule requiring family members to work somewhere else for five years to get some real-world experience. Nick had spent four years at Northrop Grumman when he got the call from his dad. "I told him, 'Your five years are up today, because I'm dying," McAvoy recalls, de-

Sticks to Its Strengths

At a Glance

Maryland Metals Processing, Inc.

- Address: 4425 North Point Blvd.
 Baltimore, MD 21219
- Phone: 410-388-9000 Fax: 410-388-9012
- Website: www.marylandmetals.com
- Founded: January 1990
- Key Personnel: Ken McAvoy, president/CEO; Nick McAvoy, executive vice president; Tim Smith, sales manager

- Size of Facility: 165,000 square feet
- Employees: 50
- Volume: 175 million pounds processed annually
- Services: Cut-to-length, slitting, shearing, coil and sheet polishing
- Equipment: Imeas Coil Polisher, 60-inch Wet or Dry; Imeas/Hill Acme 60-inch dry sheet polisher; Herr-Voss 60inch Strand Extensioner slitting line; Herr-Voss 80-inch CTL line; Herr-Voss 60-inch multi-blanking line with laser vision; Red Bud 72-inch multi-blanking line with Herr-Voss leveler



scribing the challenge of running the growing business on his own. Today, Nick McAvoy is his executive vice president.

In addition to Maryland Metals, Ken McAvoy also operates Protective Films & Packaging Solutions, a sister company that distributes films and packaging used in laser cutting operations. PFPS serves some of the same customers as Maryland Metals, and has grown to be nearly as large. As a toll processor, Maryland Metals is restricted by geography. "If you're offering a five-cent service, you can only go so far before the transportation wipes you out," he notes. As a distributor of protective films and tapes, PFPS is not. "What's nice about tape is that whether I bring a product in from a domestic producer or foreign manufacturer, I can ship it anywhere."

Green Energy Saves Greenbacks

he difference between Maryland Metals Processing and the typical processor starts at the top. Literally. The roof of the toll processor's building is covered with solar panels, thanks to a fortuitous visit from the panels' manufacturer in 2013.

"He asked us if we were familiar with solar energy.We said, 'to the point that everyone's aware of the sun,'" Maryland Metals owner Ken McAvoy recalls.

Since Maryland Metals was the owner of its building, it was eligible for government alternative energy incen-

the grid, Maryland Metals saves more than \$200,000 per year. "That's huge for any company. We'll have our investment paid back in 39 months. That's better than most investments you'll make in life. I wish I could say it about all my equipment," McAvoy says.

In addition, the company gets to contribute a little bit to the environment. "We try to approach everything as a family organization. The use of solar power is for our children and grandchildren," he adds.

Having seen the fruits of the endeavor, McAvoy now

champions the use of solar throughout the industry. "I hope more people in the service center business put these [panels] on for whatever reason motivates them.Whether it's to be green or for the green in their pockets, it's a great thing to do.

Installation of solar panels saves Maryland Metals \$200,000 per year in energy costs. (Photo courtesy Maryland Metals)

tives that covered much, though not all, of the cost of installation. "We did the math, and it made perfect sense," McAvoy says "A few months later, we had solar power."

Solar does not just provide a little extra energy on the side. It accounts for about half the company's power usage. Factoring in its reduced energy bill and the power it sells back to

