

SUMMER 2007

O'NEAL NEWS

READY FOR FINAL ASSEMBLY

O'NEAL'S WELDMENT OPERATIONS
HELP OEMs SAVE TIME AND MONEY

ALSO INSIDE...
SHELBYVILLE - PART TWO,
GRADUATES, AND MORE



PROCESSING TO THE MAX

When O’Neal ventured into the business of providing weldments to Original Equipment Manufacturers (OEMs) in 1997, the company was entering uncharted territory. O’Neal had created new services for customers before, but this was different. It required unprecedented capital investment. The projects were huge in scale and complexity. And the customer base was far from established. It was a proposition somewhat along the lines of, “If you build it, will they come?”

By the late 1990s, there were strong indications that OEMs would continue to increase their outsourcing of labor-intensive parts fabrication and O’Neal wanted to be well positioned to pursue their business. The trend did continue and O’Neal was ready. New business was secured. The weldment operations became highly proficient. And now two of O’Neal’s district operations – in Roanoke, Virginia and Monterrey, Mexico – are completely dedicated to the cost-effective production of items such as precision parts, brackets, subassemblies, complex mainframes, and booms.

Those parts and assemblies, in case you didn’t know, are what are referred to as weldments. As the term suggests, weldments usually involve a highly skilled level of welding. They can be relatively simple or extremely complex. They can range in scale from about the size of a golf cart to almost as big as a house. And they can consist of anywhere from a few parts to several hundred.

O’Neal’s weldments are mainly used by OEMs as components of the products they manufacture, such as

container handlers, industrial trucks, mobile cranes, rock drills, machine tools, and various other equipment for construction, mining, earth moving, road building, and power generation. Because many OEMs have changed the way they do business during the past decade – by eliminating most in-house fabrication in favor of core, strategic manufacturing capabilities – O’Neal can serve as their one-stop source for weldments built to specification, and shipped completely ready for on-line assembly. It’s a virtually seamless relationship.

Extreme Processing

A good way to think of the production of weldments is as another level of processing, where everything is super-sized or made more complex by multiple stages of production. Huge parts require huge facilities and equipment. And, because some of the sub-assemblies that the Roanoke and Monterrey operations build are fabricated from literally hundreds of processed parts, they require highly integrated skills, meticulous planning, attention to detail, and a strategic

O'Neal's weldment operations in Roanoke and Monterrey provide OEMs the quality, price, and turnaround time that make outsourcing virtually seamless.



Many of O'Neal's weldments consist of giant subassemblies for container handlers, industrial trucks, mobile cranes, rock drills, and machine tools for construction, mining, earth moving, road building, and power generation.

to oxy-fuel and high-definition plasma burners, press brakes, saws, and CNC punches. It's not uncommon for projects to utilize almost all those capabilities – cutting, bending, punching, machining, welding, blasting, and painting – leading up to assembly of the customer's final product.

Among the largest items produced at Roanoke are complex weldments weighing up to 57,000 pounds, while Monterrey has built 45,000-pound chassis and barges measuring 5' x 10' x 40'. In the category of repetitive work, Roanoke produces 120 robotically welded assemblies per day and Monterrey turns out truckload quantities of smaller parts on a regular basis.

A Little History, A Lot Of Insight

The roots of O'Neal's weldment operations can actually be traced back to the mid-1980s, when Carolina Steel began producing weldments at what was then that company's Roanoke operation. O'Neal purchased Carolina Steel in 1997, and soon developed a strong interest in the weldment side of the business because of its value-added appeal to large manufacturers. Seeing the potential for growth, O'Neal expanded the Roanoke facility in 1999 to set the stage for even bigger and better things

approach as if making the parts for, and putting together, a giant 3-D puzzle. O'Neal has both the people and facilities to do the job.

In fact, both weldment operations have their own in-house welding schools with Certified Welding Educators on staff. As a result, employees possess the skills required to produce the most sophisticated weldments, including those that require ultrasonic testing by a Certified Weld Inspector.

You won't find the vast and diverse inventories at Roanoke or Monterrey that are common among other O'Neal districts, because the weldment operations stock material specifically to support their customers' needs. What you will find, however, are facilities that include the ultimate in processing equipment, ranging from lasers, robotic welders, vertical and horizontal machining centers, giant blast cabinets, and paint booths



A 12-WHEEL BLAST CABINET and 48-foot paint booth exemplify the super-sized equipment at O'Neal's weldment operations.

to come.

The building grew from 115,000 to 150,000 square feet, and was equipped with some of the largest, most sophisticated equipment of its kind. Having a state-of-the-art facility gave O'Neal an edge that allowed the company to offer customers everything from parts processing to finished-coat painting all under one roof.

The Roanoke District

soon became a model of quality, precision, and efficiency. To ensure accuracy, for example, all routings are bar coded to guide the production process every step of the way from stock plate to finished product. For extreme efficiency, there's also an automated 10-ton monorail system in the paint and blast department that transports products through a 12-wheel blast cabinet, then into a 48-foot paint booth.

O'Neal-Roanoke has since gone through another expansion to 175,000 square feet. The facility now has 188 employees under the direction of General Manager **Don Lesley**, and serves a variety of OEMs

that manufacture products such as elevators, rail cars, mining equipment, and industrial machinery. Its customers are located throughout the eastern United States and Texas, and include a number of other O'Neal districts that frequently turn to Roanoke for assistance with larger, more complex, labor-intensive jobs.

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Producing large, complex subassemblies for products such as material-handling equipment requires extensive planning, strategy, and skill as if you were making the parts for, and then putting together, a giant three-dimensional puzzle.



When O'Neal's weldments arrive at a customer's plant, they can literally go straight from receiving to the assembly line.

Going South Can Be A Good Thing

The early promise demonstrated by the Roanoke District's focus on weldments not only led to its own growth, but also inspired expansion south of the border. In response to customers' growing needs, O'Neal Steel de México opened in the highly industrialized city of Monterrey in 1998 following several years of discussions and research about a way to do business in Mexico that would support O'Neal's U.S. facilities.

The Monterrey facility opened with 24 employees; and by its first anniversary, the staff had grown to more than 100. For several years, the exceptionally efficient operation produced a wide variety of weldments for a single customer: O'Neal Steel. Account Manager **Ralph Fluker**, one of the pioneers and driving forces of O'Neal's weldment business, coordinated sales activities between the Monterrey District and other operations, while Roanoke frequently provided training and technical assistance.

Gradually, the Monterrey operation began cultivating its own customer base in addition to serving other O'Neal districts. As its customers' needs grew, so did its capabilities.

Services provided by the original 65,000-square-foot facility were enhanced with the addition of a separate 75,000-square-foot plant. And another 75,000-square-foot expansion is slated for completion by early next year. The highly dedicated and motivated workforce now totals approximately 500 under the leadership of General Manager **Esteban Garza**, and serves customers including manufacturers of construction, mining, and material-handling equipment across the entire southern United States and the Midwest.

The Far Eastern Solution

O'Neal has had great success with its weldment operations in a relatively short time. That can be attributed to outstanding people and facilities that have answered a growing need among customers for lower-cost solutions to their manufacturing processes. It pays to outsource if you can achieve the desired quality at the desired price in the desired timeframe, which must take the cost and time of delivery into consideration. For those customers who are seeking even lower-cost solutions – and for whom longer lead and delivery times will work – O'Neal is now strategically positioned to source weldments in China or anywhere else in the world.

Working through an international agent, O'Neal can submit drawings to multiple Chinese sources for quotes and prototypes for review. Photos of facilities and recommendations are provided. And engineers working with O'Neal's agency manage each job, oversee loading of finished parts into containers, and track shipments to their final destinations.

It's the next, logical step to doing business in a truly global economy, where the cost of manufacturing is more critical to a company's success every day. O'Neal's weldment operations were created as a way of answering customers' needs. For some, going global is the solution to helping them gain that all-important competitive edge. 🌐

