

Manufacturers That Survived Storm on Path of Growth

Expanding Local Plants, Adding Training Facilities

By JANE YU

Manufacturing in Orange County is in growth mode, with many local companies—those that have weathered the recession and managed to notch consistent business gains—making investments in facility expansions and upgrading their training resources.

At least nine such projects have taken place at local companies in recent months, including:

■ **Redline Detection LLC**, which late last month moved from Placentia to a new facility in Orange, “well more than double our physical size,” according to Executive Vice President **Alex Parker**.

The company makes automotive diagnostic equipment, such as leak detectors and cooling system diagnostics equipment, which is used primarily by technicians. It has about 50 employees.

Financial details weren’t available, but Parker said overall business so far this year is up about 50% year-over-year.

The company’s manufacturing operations are in OC, and it also works with local suppliers and vendors, said Parker, who with her husband, **Zachary**, acquired the company seven years ago.

“And call it excellent timing, since the economy fell off its course after that,” she recalled. “When the economy slowed in the U.S., we made a big commitment to investing in our global business. We were expanding and selling and developing relationships overseas. Now we’re shipping



to 32 countries around the world. And once the economy began to [improve] here and we began to feel like it was stabilized, we invested in developing new, more agile

technologies.”

Redline last year received the Motor Top 20 Tool Award for portable leak detectors, and it’s expanded into other areas, such as the auto racing industry.

Parker said its new Orange facility includes a 3,000-square-foot technical training area.

“I’m excited about this,” she said. “We’ll be able to have the end users and the technicians do training right here.”

■ Santa Ana-based **Dynamic Fabrications Inc.** also recently took its operating capacity up a notch.

It kept its existing building and took over a second building it owns, most of which it had leased out for several years. The move almost doubled its facility to 22,000 square feet.

The company serves various industries with custom fabrication, welding, precision machining and sheet metal work.

“Fifty percent of our work is aircraft, where we’re doing rocket satellite missile components,” said founder and President **Mike Kartsonis**. “The other 50% is diversified, ranging from medical, environmental, oil and gas, energy, semiconductor [and] entertainment.”

Having diverse service sectors helped the company “weather the storm” in the recession, Kartsonis said.

“We took a good hit in 2009 and 2010,” he said. “Since then, though, we’ve been seeing a 10% to 20% increase each year” in revenue.

DFI had recent annual revenue of about \$4 million, said Kartsonis, who added that

he’s expecting continued growth in the double digits.

The recent expansion has helped the company commit more resources to in-house training programs, he said.

“We have an ongoing training and mentoring program here for machinists and welders to maintain their certifications.”

Kartsonis is also active in the National Tooling and Machining Association and utilizes the organization’s two training centers in Southern California.

The Cleveland-based national organization has a training center in Santa Fe Springs, which is about 44,000 square foot, and another in Ontario, about 25,000 square feet.

■ Anaheim-based **Firstline Security Inc.** also expanded its facilities. The company, which installs and services security systems for commercial and residential

properties, grew its 6,000-square-foot headquarters to about 10,000 square feet and doubled its size in San Diego with a move to a 3,200-square-foot office.

It employs about 50 locally and had about \$12 million in revenue in 2013.

Other indicators of an active and growing manufacturing scene in Orange County include national and international companies opening shop or increasing their presences here.

■ Bloomington, Minn.-based **Capital Safety**, for example, recently opened a training center in Tustin as its first location on the West Coast and third in the U.S.

The company makes equipment for peo- ➤ *Expansions 25*



Jackson: new facility shows off product applications

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Companies Look to New Generation for Future

Recovery Growth, Offshore Jobs Return, Spur Hunt

By JANE YU

Manufacturing companies and industry organizations are aggressively searching for young talent, with schools and businesses coming together to showcase advanced technologies and provide opportunities for hands-on work experience.

Tustin-based nonprofit organization **Vital Link** this month led more than 180 high school and middle school students to visit five separate sites, including one business facility and four local community colleges that have manufacturing departments.

"They had the opportunity to visit the community college and see their departments and all the equipment," said **Kathy Johnson**, chief executive of Vital Link, which aims to serve as an intermediary between education and business in the manufacturing industry.

Johnson said the schools—Santa Ana College, Saddleback College, Orange Coast College and Fullerton College—have been upgrading their manufacturing departments with advanced equipment, "so a lot of the students were amazed at how sophisticated the programs were. It helped change their perspective of where they wanted to go to school. They had not viewed community colleges as having that level of technology."

Vital Link also took students to Cypress, where **Sandvik Coromant**—a metalworking tools maker and subsidiary of Sweden-based engineering group **Sandvik AB**—operates a training center. It opened a "productivity center" in Orange County in 2012 as part of its network of more than 25 centers worldwide.

Sandvik Coromant's entry into OC two years ago was followed by several other manufacturing companies that opened or expanded facilities here (see related story on page 22).

Orange County's manufacturing sector has grown by about 2% in the past year or so to about 194,000 jobs, according to industry research firm and publisher **Manufacturers' News Inc.** (see graphic on page 24).

Nationwide, the sector's growth; the trend of bringing offshore work back to the U.S.; and subsequent availability of jobs in line with the economic recovery have largely been met with a lack of highly skilled talent, according to reports by the Manufacturing Institute, part of the National Association of Manufacturers in Washington, D.C. Challenges around the skills gap have led to various initiatives across the U.S., including Manufacturing Day, an annual campaign that began in 2012.

Vital Link's recent series of trips was part of the nationwide event, which was promoted in Southern California through Torrance-based nonprofit California Manufacturing Technology Consulting, or CMTC.

"This is the third year for us doing it," said **Ellen McKewen**, a spokesperson for CMTC, which works with manufacturers in 17 counties in California ranging from Fresno and Merced to San Diego. It marketed the event with the theme of "how to attract Millennials and preserve the future of manufacturing."

"That's the focus this year," McKewen said. "The big push is of course to get the

younger generation involved. We have a lot of experienced workers leaving the workforce. Because of the transition going on in manufacturing, there has to be new skilled workers to replace them. The only way to do that is to get the high schools and community colleges involved. There are a lot of kids who aren't going to college but are tech-savvy; they grew up in the tech world. And manufacturing is moving in that direction—high-tech, laser, robotics. We will be focusing on that more going forward."

A handful of other companies in Orange County participated in Manufacturing Day, including Mission Viejo-based plastic fabricator **Planet Plexi** and **Benavente Inc.**, a

► *Young Talent 25*



Training: high school student Matthew Moench with instructor Sam Karaba at Fullerton College training center

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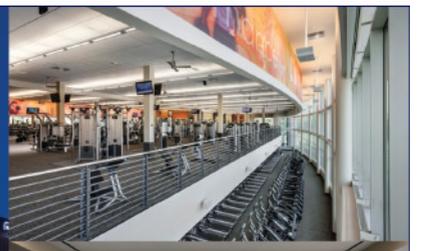


Rank	State	City	Jobs	Companies
1	TX	Houston	262,277	3,984
2	NY	New York	147,408	2,483
3	IL	Chicago	106,590	2,536
4	MO	St. Louis	81,453	1,305
5	CA	Los Angeles	80,971	1,381
6	OH	Cincinnati	74,226	1,217
7	IN	Indianapolis	73,971	1,159
8	AZ	Phoenix	73,526	1,628
9	TX	Fort Worth	72,955	877
10	CA	San Diego	71,612	812
11	TX	Dallas	70,128	1,448
12	CA	San Jose	63,783	605
13	OH	Cleveland	59,590	1,361
14	GA	Atlanta	57,129	867
15	KS	Wichita	55,473	669
16	KY	Louisville	54,372	954
17	MN	Minneapolis	53,760	1,064
18	TX	San Antonio	52,207	868
19	OR	Portland	50,643	1,208
20	UT	Salt Lake City	50,571	1,135
21	OK	Tulsa	50,343	1,073
22	TX	Austin	49,080	745
23	WI	Milwaukee	48,372	863
24	OK	Oklahoma City	47,312	1,075
25	CA	Irvine	45,528	395
26	MO	Kansas City	45,370	574
27	OH	Columbus	45,013	784
28	MI	Grand Rapids	44,789	710
29	WA	Seattle	43,654	947
30	NC	Charlotte	43,486	893
31	CO	Denver	42,206	1,277
32	PA	Philadelphia	41,636	848
33	MN	St. Paul	40,621	574
34	NY	Rochester	38,624	656
35	FL	Jacksonville	38,181	705
36	TN	Memphis	37,321	664
37	WA	Redmond	37,034	156
38	PA	Pittsburgh	36,441	797
39	CA	Santa Clara	35,020	355
40	FL	Orlando	34,422	618
41	CA	Sunnyvale	33,597	203
42	AZ	Tucson	32,155	812
43	NE	Omaha	31,990	663
44	AL	Birmingham	31,639	564
45	MI	Detroit	31,115	493
46	FL	Miami	31,016	1,135
47	MD	Baltimore	31,001	778
48	WA	Everett	29,890	181
49	NC	Greensboro	28,821	460
50	FL	Tampa	28,336	806

Our map shows the number of manufacturing jobs in each city in Orange County as of mid-September. OC had 194,353 such jobs, up 2.4% from a year earlier, according to data provided to the Business Journal by **Manufacturers' News Inc.**, an Evanston, Ill.-based industry research and publishing firm. Manufacturers' News, which aims to "pinpoint every manufacturing establishment in the U.S.," defines a manufacturing business as a company classified by Standard Industrial Classification (SIC) codes 2000-3999 and select codes from the 1000 group, "which involves exploration and mining of raw materials and fuels that are used in the manufacturing process," according to spokesperson **Jennifer Ratcliff**. The color green on the map represents cities that gained manufacturing jobs in the past year, with gradations indicating various paces of growth on a percentage basis. Red represents cities that lost manufacturing jobs in the past year, with the darker shade reflecting a steeper percentage decrease. Job numbers didn't change in cities colored yellow. In the ranking on the right, Irvine comes in No. 25 in the U.S. on the number of manufacturing jobs based here.

—Jane Yu

Source: Manufacturers' News Inc.







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Expansions

► from page 22

ple working at extreme heights and in rescue operations. Its products include body harnesses, self-retracting lifelines and tracking systems.

The company's new center in Tustin has administrative offices and a 3,500-square-foot area for training that includes a 25-foot steel structure and cellphone tower.

■ Schaffhausen, Switzerland-based **Georg Fischer Ltd.** expanded its North American piping division in a move from Tustin to Irvine in July.

It was also a consolidation move, combining its piping unit, **GF Piping Systems**, with its tool-and-die maker, **GF Machining Solutions**, which had been in Yorba Linda.

The operations together take up 105,000 square feet, good for more than 100 employees on the campus.

"It will be fair to say by now we are completely settled in," said **James Jackson**, head of business unit Americas of GF Piping Systems.

"We find these new facilities really fitting our needs of growing the business."

Jackson said the increased space at the new facility gives the company room to display real-life applications of GF's products.

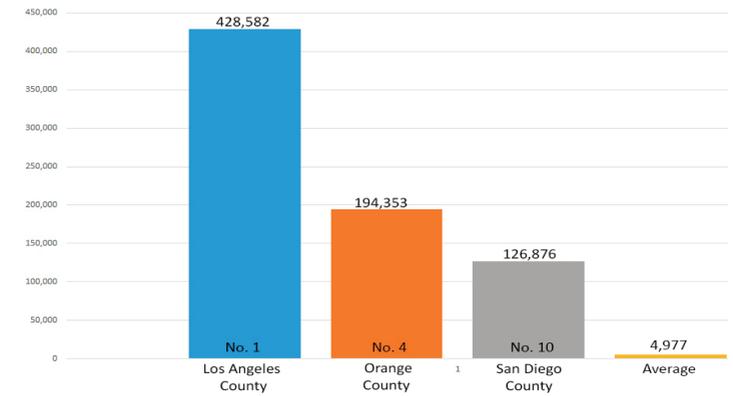
"Among other things, we have a large aquarium, not because of the fish, but to show the pipes and measurements and instruments," he said.

"We really try to make the link from what a consumer sees and what we really contribute. That's absolutely a function of having enough space to really display this in a prominent way." ■

Number of manufacturing jobs by county

Orange County ranks No. 4 among 3,070 counties in the U.S. by the number of manufacturing jobs. Los Angeles County ranks No. 1, and San Diego County No. 10.

The total number of manufacturing jobs in the U.S. is 15,279,358.



Source: Manufacturers' News Inc.

Young Talent

► from page 23

sheet metal manufacturer in Santa Ana.

Irvine-based 3-D printing company **Purple Platypus** also opened its doors and hosted about 80 visitors.

Spokesperson **Deanna Sciarra** said the crowd included youngsters ranging from 7 year olds to college students, as well as industry professionals.

Purple Platypus is a distributor for the Stratasys brand of 3-D printers. The fast-growing company had recent annual revenue of about \$6 million. It was ranked No. 10 in 2011 as part of the Business Journal's fastest-growing private companies list, with a 390% revenue jump between mid-2009 and mid-2011.

Sciarra said Purple Platypus sees a need to "bring light to manufacturing here in America."

"We need to bring more focus to the industry, educate the community more about how manufacturing is different today than it was 20 years ago," she said. "If we're not encouraging kids to go into STEM [science, technology, engineering and math], then where are all these manufacturing jobs going to go? There's a ton of manufacturing happening here. It's a career that needs to grow."

The sentiment is shared across the board, regardless of company size and geographic reach, including by Sandvik Coromant, which has 8,000 employees in 130 countries.

It sees "an urgent need to generate interest in the up-and-coming generation in the manufacturing industry" and is offering internships or training programs to students and recent college graduates, said **Renee Lando**, human resources business partner.

Lando, who's based at the company's U.S. headquarters in Fair Lawn, N.J., said the company has shifted from a "somewhat narrow" view of the ideal applicant or trainee.

"We made a decision early on that while we work in a technical field, it's important to have a mixture of mindsets and thinking styles," she said. "In years past, we were looking for one kind of applicant; if they didn't come with the machining or mechanical engineering background, then they were considered not suitable. ... [Now] with our trainee program, we'll be interested in identifying talented graduates who have come through with a technical degree—whether in mechanical engineering, logistics, chemical engineering—as long as there is some technical capacity that's been demonstrated." ■



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