

Press Release for Immediate Publication

October 28, 2011

Contact: Chris Lombardi, Great Lakes Mechanical Services, 708-672-5900
calombardi@comcast.net

First Heat in 100 Years Acutely Significant for Southside Chicagoland Steel

Some of the most momentous occasions happen very quietly, but create a ripple effect throughout business, industry and community that continues to have ramifications for decades. That moment, while it can be often pinpointed with a look back through history, probably wasn't recognized at the time for its significance.

When U. S. Steel South Works laid off its first employee sometime in the 1970's, no one marked that moment as particularly critical. Yet that anonymous day silently marked the beginning of the drastic, devastating changes the Chicagoland steel industry would face, culminating in South Works' closure on April 10, 1992 and the annihilation of the South Chicago area. When the bulk of steel production moved offshore, thousands of steel and steel-related jobs disappeared, leaving factories deserted and later ravaged, supporting businesses such as restaurants and retail stores decimated, multitudes unemployed and neighborhoods blighted.

Now, another moment of magnitude has occurred in South Chicagoland steel, but with positive power and enormous potential. On June 2, 2011, A. Finkl & Sons, with the help of Great Lakes Mechanical Services in Crete, Illinois celebrated something that hasn't happened in over 100 years on the southside of Chicago; a first heat of a new steel-forging furnace.

The 90-ton electric arc furnace was assembled over the course of 16 months by Great Lakes Mechanical's Gary Lombardi and staff, in conjunction with Finkl technicians. "Open communication made the process a true partnership between our organizations," said Lombardi. "This was an outstanding experience."

Apparently, "outstanding" also applies to Lombardi's technical skills. Building the new furnace meant assembly from the ground up, including the hydraulic system and the furnace casing itself. "The plans often needed field modifications because of unexpected difficulties and we were able to create redesigns that worked for Finkl. Sometimes, what worked on paper just didn't work in the field. We encountered – and managed - hundreds of challenges daily. That's something we are very skilled in – seeing and creating real, workable solutions when faced with problems." Frank Wilson, mechanic with Great Lakes, remarked, "Gary can look at a machine, a problem, and just figure out how it works, why it works – or doesn't - how to fix it and how to make it work better."

The blast of a first heat is used as a proving ground to resolve any issues with resulting steel quality. "It went much better than we expected," said Lombardi, "although we did have a few bugs to work out." There were complications maintaining the proper temperature when alloys were added, solved by adjusting transformer taps with plenty of patience. After 23 hours, all obstacles were overcome and the finished product's level of quality was exactly what Finkl demands. Located within Finkl's new facility at 1355 East 93rd Street in Chicago and creating a high quality steel product used in forging dies, plastic molds, die casting tools, custom open-dies and other applications, the furnace now runs seven days a week, ten hours a day.

The furnace has its moment in history firmly established, as this first heat marks a crucial turning point. "The first Southside heat in 100 years is pretty amazing by itself," said John Guliana, Vice President of Engineering at Finkl. "But it's even more – it's so significant for Chicagoland steel. We are expanding, we're growing, we're going forward. This industry is turning around."

Finkl has been a leader in Chicago steel since 1879, now processing over 100,000 tons of steel each year. They are the first integrated steel manufacturer in America to receive ISO 9000 certification. Since Finkl's inception, they have maintained a commitment to manufacture 100% of their products in Chicago. Those products are distributed domestically and to more than 18 countries worldwide. They supply a finer product; forging die steels, plastic mold steels, die casting tool steels, custom open-die forgings and cold work. Finkl is always on the leading edge of technology, holding more than 100 patents. Finkl steel formulations and steelmaking technologies continue to set worldwide standards.

Finkl has always understood that quality is more important than cutting costs. Now, other industries are seeing that too.

"Onshoring or reshoring, the movement of manufacturing coming back to America, is real," said Lombardi at Great Lakes. "We are seeing the evidence in Chicagoland. Businesses are frustrated with control issues and with unauthorized, unacceptable substitutes in raw materials and ingredients. Americans are becoming more willing to pay a dollar or two more for a higher quality item made in the USA." At the September Will County Economic Development Global Logistics Summit, panelists agreed. "Chinese labor costs are rising and quality is dropping, making offshoring less attractive." Experts also cite transportation and availability problems as causes of interruptions in workflow.

Guliana adds, "America wins – always – on quality. The buyers who know and need quality come here. They come to Finkl. We've always had world-class quality, right here on the Southside of Chicago. With the new furnace, we're just getting better and better. Our capacity has increased, our volume has increased and we're adding new products and new employees."

Lombardi is especially proud of his contribution to this historic moment. Great Lakes Mechanical serves not only the steel industry, but also works as millwright, welder, machinist, mechanic and on-site maintenance service for all types of manufacturing and industry such as petro-chemical, utility, railroad, forging, food processing, construction and distribution. "Helping to bring manufacturing back to this region, ensuring quality in our American-made products, helping to provide skilled, blue-collar jobs is very important to me. So many people love to work with their hands and their heads, to build real things, to solve mechanical problems, to make things work - and they should have that chance right here. That's important. It's the only way to really build our future."

As for Great Lakes Mechanical Services and their future; Lombardi's ability to think out of the box, on the ground and in the trenches - and actually get the problems solved - has set him apart from other consultants. "Gary and Great Lakes Mechanical are now a real, go-to component for our maintenance and repair needs," said Guliana. "This incredible, once-in-a-century moment, this turning point for Chicagoland industry, could not have happened without them."

For information about A. Finkl & Sons Co, visit www.finkl.com. For information about Great Lakes Mechanical Services, Inc., visit www.greatlakemechanicalservice.com or call 708-672-5900.

#####