





BUCKEYE POWER CURRENT

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Diversify or Die: An Insider Look at the Rebirth of an Ohio Manufacturer



History is littered with stories of beloved but now diminished companies—Kodak, Borders and Blockbuster come to mind—that failed to adapt to changing consumer trends.

When U.S. total vehicle sales plummeted to a record low of 9.05 million in February of 2009 as reported by Autodata Corp., Alex Products, Inc., an award winning metal forming, welding, coating and engineering solutions provider in northwestern Ohio, was narrowly focused on producing SUV seats.

With the U.S. economy in a protracted recession, Alex Products was forced to reduce employment from over 1,000 in 2007 to less than 200 employees at its lowest point.

Alex Products' retained its formidable capacity to manufacture and weld complex components, apply coatings, and design, build, and maintain metal forming equipment but the company needed to adapt, and do so quickly. Contracts were won to produce barstools and stadium seats. Sales efforts expanded to earn work from a more diverse pool of customers in Alex Products' core automotive segment.

In 2008, Alex Products owner Dave Von Deylen founded AP Alternatives with a mission to design, engineer and manufacture an innovative solar racking system. They didn't offer just another racking system but rather reinvented the entire concept of solar installations.

AP Alternatives started by designing a system that could utilize automated equipment to manufacture components as well as assemble them. Designs led to a fully pre-panelized modular racking system that allows for factory quality control and rapid field installation. Alex Products manufactures many of the racking components and specialized assembly equipment.



AP Alternatives has installed solar projects totaling over 100 megawatts across the U.S. including this 4,117 kilowatt project in Napoleon, Ohio.

But AP Alternatives does more than just provide solar racking hardware. Service starts before breaking ground with site layouts, max density studies and on-site anchor testing for the solar array location to determine soil strength and confirm the size of helical anchors needed. AP Alternatives deploys a mobile assembly line to the project location to install the full package of anchors, pre-panelized racking and structural bracing.

Making do without sacrificing quality

The post-recession U.S. manufacturing resurgence slowly gained momentum but even by 2013, capital for new equipment simply wasn't available. Tooling, welding and automation equipment was recycled and refurbished to adapt to the production of a much wider array of both high and low volume parts for a diverse mix of automotive parts suppliers and the growing solar business.

Despite making do with repurposed equipment, quality never slipped. In 2015, Alex Products received its 19th consecutive Supplier Quality Award from Johnson Controls for best in class Quality, Cost and Delivery. And in 2011, the company received the Platinum Supplier Award and Excellence in Execution from Johnson Controls.



Alex Products, through its Technical Center and its sister stamping facility, A-Stamp, has the capacity to design, build, and maintain custom equipment that can be efficiently adapted for new products.

Flexible manufacturing methodology key to survival

A flexible manufacturing approach in which machines can be efficiently changed over to produce new products or multiple machines can be used to perform the same operation on a part, allows Alex Products to rapidly scale and cost effectively produce various sizes of product runs.

With 2015 contracts nearing pre-recession levels, Alex Products is investing in new equipment to deliver even more competitive pricing while enhancing the flexibility to more quickly produce an even wider variety of products.

Alex Products' workforce now exceeds 700 employees including engineers, skilled

machinists, industrial electricians, maintenance technicians, solar installation crews, and welding, metal forming and coating production teams.

It takes a community

It takes more than a village to support a manufacturing resurgence on the scale and timeline of Alex Products' success. With six facilities located in Ridgeville Corners, Bryan and Paulding, Ohio, Alex Products is deeply involved in activities that support strong local and regional economic development.

Paulding Putnam Electric Cooperative (PPEC) is also a partner in the local growth efforts and works to connect businesses with USDA grants, available sites and buildings, potential collaborators and workforce development officials.



Alex Products' Ohio locations.

George Carter, CEO/General Manager of Paulding Putnam Electric Cooperative, shared, "As a member-owned utility, PPEC is deeply invested in the success of our residential and corporate neighbors. By providing reliable, affordable electricity with the capacity for rapid growth, we are ready to help companies like Alex Products achieve their goals."

The Great Recession decimated many Midwest manufacturers. The companies, such as Alex Products, that survived demonstrate the innovation, flexibility, product quality and collaborative approach that it takes to thrive in the post-recession economy.

Buckeye Power and Ohio's Electric Cooperatives can help with:

- · Comprehensive site and building portfolios
- Preliminary site studies
- · Site search tours
- Assistance in identifying financial incentives
- Electric rate analyses
- Community profiles
- State and local government contacts
- Contractor introductions



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