PEDDI NEWS

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MERRILL STEEL

SCORING STEEL SUCCESS

Peddinghaus

MERRILL

FABRICATOR SPOTLIGHT | Scoring Steel Success

From humble beginnings in small town Merrill, Wisconsin, Roger Hinner Sr. purchased a tiny 4,800 square foot dirt floor workshop in 1962. Located perfectly in the Midwest, Merrill Steel (aka Merrill Iron & Steel, Inc.), served their local farming community fabricating steel storage bins. As business quickly grew and the agricultural market became more demanding, the team at Merrill Steel shifted from storage bin fabrication to the fabrication of all things agricultural including equipment for large-volume drying and processing operations.

In the mid 70's, the company moved to a new facility that was designed and built by the family owned and operated business. In the 80's, adding structural steel and platework to the operation led to expanding the facility three times to meet its growing needs. In the 90's, Merrill Steel outgrew its facility and, under the direction of Roger Hinner, Jr., Rick Hinner, Gary Rajek and Karen Rajek, they purchased a 355,000 square foot manufacturing facility just a half hour down the road. Opening themselves up to new opportunities beyond compare in heavy structural work, the operation grew to be one of the biggest fabricators in the state.

Today, Merrill is comprised of two fabrication facilities both in Schofield, Wisconsin and in Springfield, Missouri, totaling a whopping 615,000 square feet. With capabilities to deliver large-scale structural projects all across the

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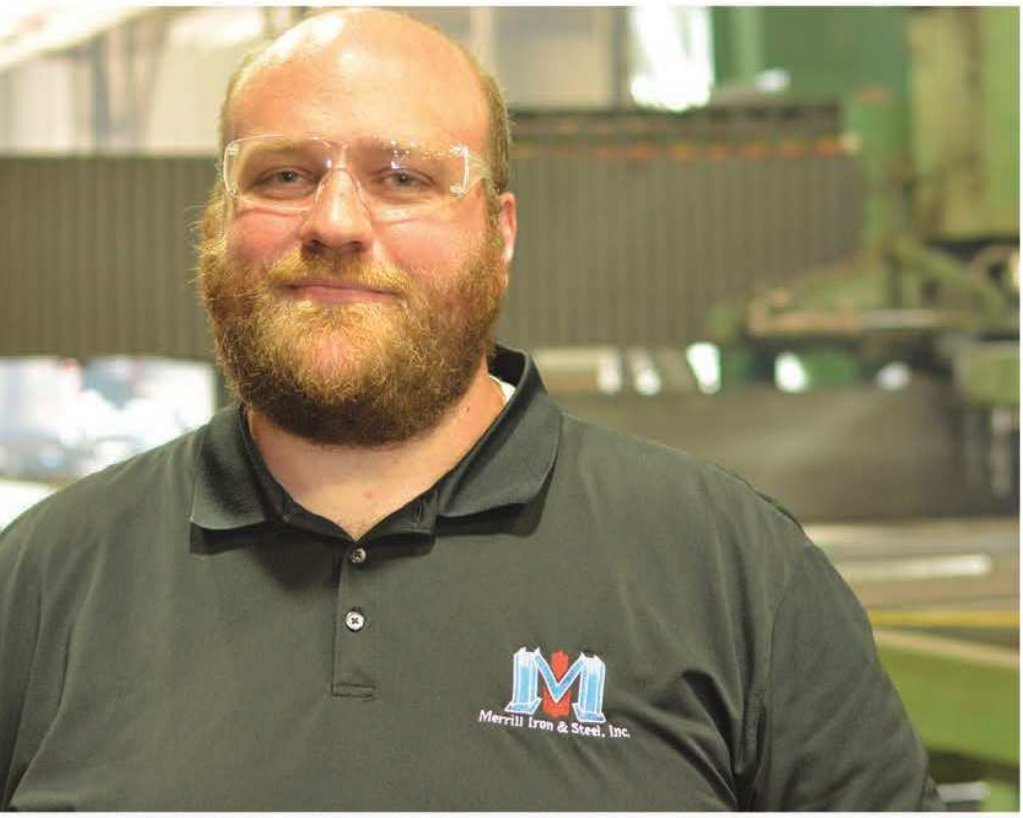
United States and Canada, heavy plate fabrication, blasting and painting, it is safe to say Merrill Steel has come a long way since steel storage bins. Now well into its second generation of management, with the development of the third generation underway, the founder's grandson, Greg Rajek, has successfully taken over as Plant Manager at Merrill's facility in Springfield, Missouri.

"Merrill has a name for quality." Greg states proudly. "Our products fit when it arrives on site. We've perfected this over the years and have done an excellent job of making quality one of our core values. That has been ingrained into every aspect of the company. It's important to build things right the first time."

Skilled Welders Equal MVPs

As the steel construction market within the United States continues to increase, the industry-wide shortage of skilled labor continues to grow. CNC technology in structural steel has allowed most fabrication processes to become automated. Since their origination, Merrill Steel has been able to successfully integrate new Peddinghaus technology year after year that allows for automation in drilling, cutting, coping and marking processes.

"Skilled labor is becoming harder and harder to find. As it happens, we will continue to purchase



equipment so we can keep our most talented craftsmen on the tasks that they do best. Machines like the PeddiWriter are becoming as necessary as a drill line or a plate line, it's a piece of equipment that you just have to have to remain competitive."

Laying the Foundation with Peddinghaus

With company growth happening in the blink of an eye, it was time for Roger and his team to investigate CNC machinery in anticipation of higher levels of production for their Schofield facility. Among their initial arsenal of Peddinghaus machinery came the BDL-1250/9A drill line and an ABCM-1250 thermal cutting and coping line. Five years later, operations in Springfield were supplemented with an FDB-2500 plate processor.

Greg explains, "The FDB was originally purchased at our facility in Wisconsin. When we purchased the HSFDB-B plate processor in Wisconsin, we chose to move the FDB down to Missouri. Prior to that we only had burntables here, so when the FDB came here it was a night and day difference. Before the FDB, we had to cut the plates on the burntable and either drill it with a mag drill or punch it, so it took too many extra handling steps. A few years later, we added a HSFDB-B here and that made a huge impact in production as well."

As larger and larger projects started coming in, Merrill expressed a heavy need for more plate processing capacity. Now with one HSFDB-B high speed plate line at each facility, Merrill Steel is able to complete all plate production in-house. According to Greg, "Right now we have a job where we have to burn holes and then mill them out because the parts have such a large diameter hole. We've never had the capability to do anything like that before purchasing the HSFDB-B. It allowed us to be able to do the work in-house and not have to hire out."

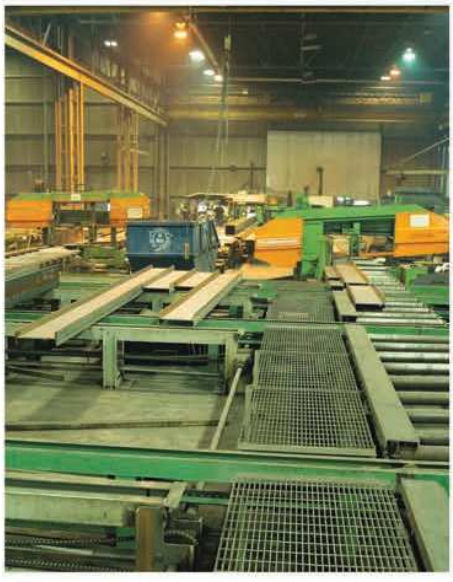


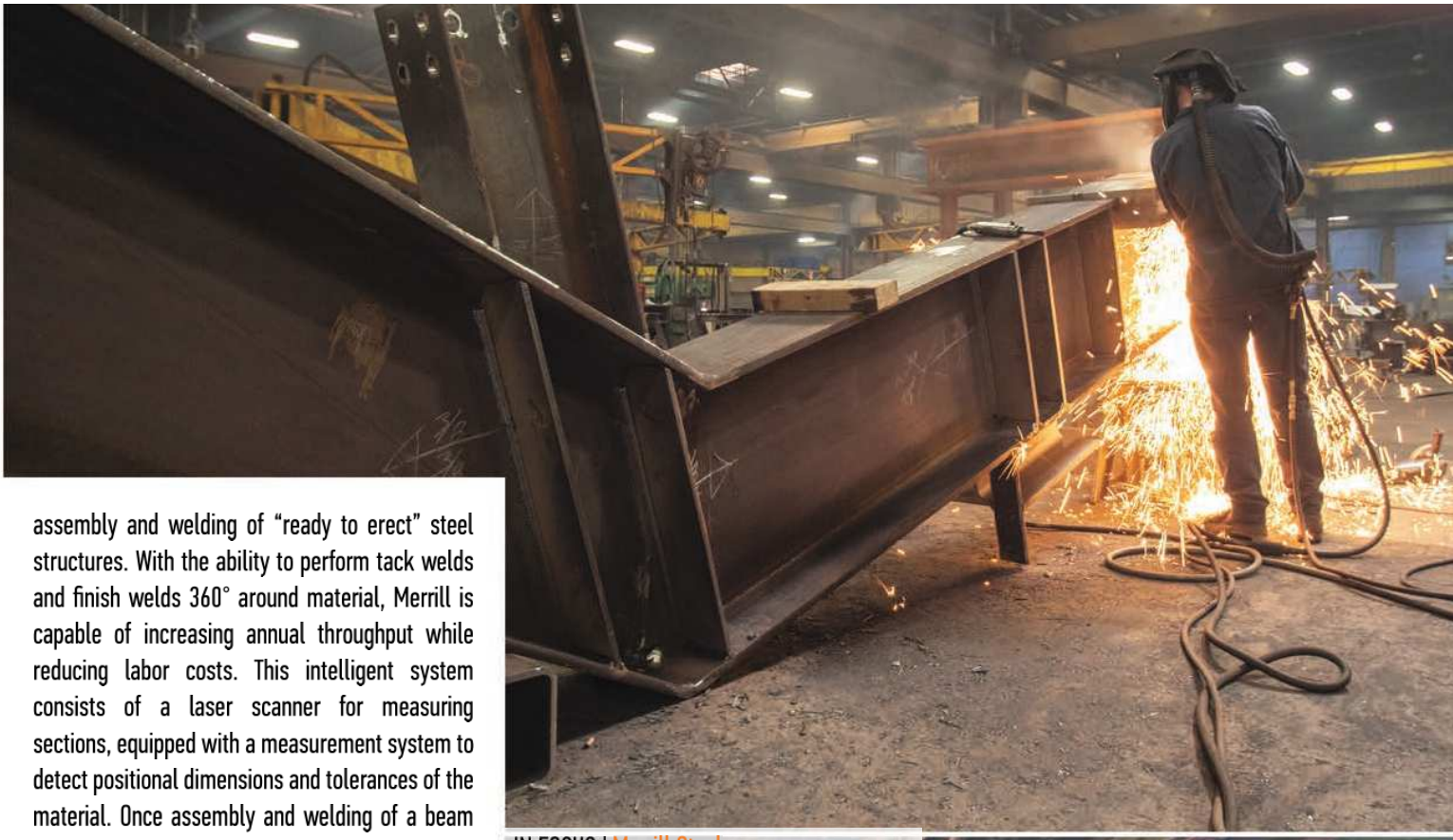
Plate lines aside, the classic Peddinghaus Advantage-2 drill line exceeds expectations daily at Merrill. The Advantage-2 is the backbone of beam production in the shop, providing Merrill with a wide array of drilling and milling capabilities and speeds. Greg confirms, "Before the Advantage-2 we were limited on the sizes we could drill and mill, but with it, that limitation goes away. We are able to quickly mill and get a nice, complete, round finish." After drilling processes, there may be a need for miter cutting or even beveled weld preparation. Since the purchase of the ABCM-1250 coper, Merrill Steel has significantly reduced their labor burden and man hours. "With the ABCM, you improve your accuracy which results in delivering a higher quality product." Greg exclaims, "With the size beams we're running through our shop, we have to get it perfect, there's no room for error."

Today, 11 total Peddinghaus investments have enabled Merrill to fulfill their company values and remain a trusted name within the steel industry. Greg states, "We are satisfied with the build quality of the Peddinghaus machines. A steel shop is not a very forgiving environment, it's not always clean, it's hot and you're pushing through heavy material all day every day. With Peddinghaus, you know what you're buying and you know that given these conditions, it will still get the job done."

Rookie of the Year, the Steel Beam Assembler

Rick Hinner and the team at Merrill in Schofield have recently welcomed their newest member to the fab shop, the Zeman robotic steel beam assembler. With benefits including faster production, increased throughput, labor savings and better weld quality, the appeal of the robotic welding system has certainly evolved in the structural steel industry.

The Zeman system is designed for robotic



assembly and welding of "ready to erect" steel structures. With the ability to perform tack welds and finish welds 360° around material, Merrill is capable of increasing annual throughput while reducing labor costs. This intelligent system consists of a laser scanner for measuring sections, equipped with a measurement system to detect positional dimensions and tolerances of the material. Once assembly and welding of a beam is complete, the finished structure is ready for quality check and requires no further processing.

"We really enjoy the 24-hour service and support. A machine is a machine, maintenance is necessary and inevitable as well as the learning curves during installation. Having that support there at all times where Peddinghaus can remote in and help you troubleshoot, diagnose your problem and then solve it so the machine can get back up and running is extremely valuable to us," says Greg.

Merrill Tackles Future Home of the Raiders

In March of 2017, Oakland Raiders football fans received the big news that their beloved team would be relocating from their home in Oakland, California to the high-energy city of Las Vegas, Nevada. A recent groundbreaking ceremony on the job site kicked off ground assembling and the first steps of erection for the soon-to-be massive structure. Reigning as the largest job in Merrill Steel history, the Las Vegas Raiders football team is inching closer to their new home to be comprised of 27,000 tons of steel.

"Field fixes cause delays and they cost money, and we do everything we can to avoid that." Greg continues, "We build massive structures that are supposed to stay together, we don't build it to take it apart and fix it."

IN FOCUS | Merrill Steel
Spread | The Zeman SBA Compact+ runs full tilt in Merrill Steel's Schofield, WI plant
LEFT | Top Left: Greg Rajek
Bottom Middle: The Advantage-2 drill feeds steel to two saws and an ABCM-1250
RIGHT | Top: Welder puts the finishing touches on the next piece for the job site
Bottom: The HSFDB-B and the FDB-2500 keep the plate moving to the fabrication area

"...you know that given these conditions, it will still get the job done."