

Company plans move to Roscoe

By **ROBERT CROZIER** Staff writer | Posted: Thursday, December 31, 2015 4:00 pm

ROSCOE — American Aluminum Extrusions has been slowly transitioning its operation from the space it leases at the Ironworks complex in downtown Beloit to a building in Roscoe that the company purchased five years ago.

While the company's plan in January 2011 was to continue operations in both the Beloit site and the larger site in Roscoe, at 5253 McCurry Road, the plan company president and CEO Sam Popa outlined Monday calls for a complete transition to the Roscoe location.

He expects the move to be complete by the end of 2016.

“The new facility will house the entire operation,” he said. “We have the room to put in more lines.”

Popa said he originally didn't want to take on the additional moving expense. But, after dealing with the high operating costs of managing two buildings, he now figures that a complete transition will save money in the long run.

“Long term, there is significant cost savings having everything under one roof,” he said, adding that operating in a single building will save about \$500,000 annually, and the up front cost of the move is less than \$1 million.

Additionally, the company is planning some upgrades that will be cheaper if the equipment is going to be dismantled for the move anyway. With the upgrades, the company will be in a position to be competitive in different markets, such as with customers who have shorter lead times and need a faster response.

The company, which has been operating in Beloit since 2001, makes and sells aluminum products in a variety of standard shapes available in a range of sizes, according to its website. It produces 30 million pounds of aluminum products annually and can fashion custom aluminum shapes to a buyer's specifications.

Popa said it was a “pleasure” to work with the City of Beloit and the State of Wisconsin, but the right



Making the move

The American Aluminum Extrusion building in Roscoe soon will be welcoming new workers as the company prepares to close its Beloit facility and move all operations to Roscoe.

location for the company to grow in just happened to be five miles away, in Illinois. He plans to keep the same workforce, many of whom hail from Beloit and Wisconsin.

“Fortunately, we found that building,” he said. “Regardless of our location, we’re still part of the community.”

Before the company bought the Roscoe building five years ago, it employed 120 people in Beloit. Popa expects it to employ 150 people in Roscoe when the transition is complete.

Currently, the company employs a total of 160 people: 90 in Roscoe and 70 in Beloit. Back at the beginning of 2011, he predicted that it would employ a total of 220 people across both buildings by the end of 2011.

The company is currently leasing its Beloit space from the Ironworks, which is owned by Hendricks Commercial Properties.

Hendricks Commercial Properties president and CEO Rob Gerbitz said he’s willing to work with his tenant during the transition and hasn’t pinned down an exact date for them to vacate the premises. He doesn’t expect the company to be out for at least a year.

“We’re flexible,” Gerbitz said. “We have a lot of work to do.”

Diane Hendricks — who bought the massive rust-belted Ironworks facility in 2001 with her late husband, Ken Hendricks, and helped oversee its transition back into an operational space for business and industry — is also a majority owner of American Aluminum Extrusions. Both she and Popa have said that part of the aluminum company’s culture is to improve and rehabilitate assets that already exist in the community.

“Our niche is to re-purpose and revive old equipment or equipment that has been taken out of commission,” Popa said.

That includes the company’s Roscoe building, which was the former home of Warner Electric Brake and Clutch.

Gerbitz attributed the need for the move to the aluminum company’s success.

“They really just had some great growth,” he said.

After American Aluminum Extrusions vacates, Hendricks Commercial Properties will likely remodel the space by pulling off the aluminum siding, doing some brick work and installing windows, floors and lobbies, Gerbitz said.