



MPG receives shutdown notice for Brillion Iron Works

Metaldyne Performance Group Inc. issued a shutdown notice for Brillion Iron Works, the Wisconsin foundry it purchased for \$14 million recently. "A severe downturn in the heavy truck, mining, agriculture and industrial markets is forcing the foundry industry to consolidate production into fewer facilities," stated MPG president and COO Doug Grimm. "This was a difficult decision that impacts Brillion's dedicated and skilled workforce. Where feasible, we hope to relocate as many employees as possible to other MPG locations."

Brillion's products are gray iron and ductile iron castings, ranging from thin-walled to complex heavy-sectioned parts for manufacturers of light and commercial vehicle, agricultural, construction and mining equipment, and other industrial markets.



At the time of that purchase, MPG issued a statement that noted the Brillion operation would complement MPG's casting business and capacity. "MPG has completed 10 acquisitions over the past decade and we have successfully integrated all of them," stated George Thanopoulos, CEO. "Our customers are very supportive of this bolt-on transaction given our successful history of

acquisitions and the current depressed state of the industrial and heavy truck markets."

Now, the decision has been made to cease molding and melting operations during the fourth quarter of this year. Ongoing Brillion work orders will be transferred to MPG foundries in Browntown, WI and Reedsburg, WI; St. Cloud, MN; Iron Mountain, MI; and New Castle, IN.

Brillion Iron Works has 293 hourly and 49 salaried employees. In its announcement, MPG stated that transfers to positions at other locations would be offered to Brillion employees, as opportunities exist.

Accuride Corp. sold Brillion to MPG on September 2, part of a two-step process in which it also accepted a \$424-million buyout from Crestview Partners, a New York-based private equity firm.

MPG was formed in 2014 by a private-equity group, American Securities LLC, which established a single holding company for two forging organizations (Metaldyne, HHI) and a large automotive foundry group (Grede Holdings.) Each of those entities also included a number of legacy brands. Its products are gray, ductile and austempered ductile iron castings, forgings, and finish machined parts for automotive, commercial vehicle and industrial markets.

In August, MPG consolidated all its brands under a single label, which are organized according to process and market focus e.g., MPG Casting Technologies, MPG Forming Technologies, etc.

EJ Planning New Foundry in Michigan



EJ the group that produces and distributes municipal and infrastructural castings in North America, Europe, and Australia is laying plans to relocate from its original location in East Jordan, MI, to a new foundry at a greenfield site. "We are at the very early stages," cautioned Tom Teske, vice president & general manager, Americas, and this project is not final, as there are still many details to be worked out with state and local officials." But, in a statement the company confirmed it intends to build on a site in Warner Township, MI, within 20 miles of its current location with manufacturing at the new plant to begin in 2019.

A local report indicated EJ is working with the Michigan Economic Development Corporation and the Northern Lakes Economic Alliance to finalize details of the move. No investment cost has been indicated

for the project. The East Jordan operation includes a cupola melting shop for ductile iron, three molding lines automated greensand molding, no bake molding, and HWS molding for parts up to 76x60 in. Also in East Jordan is a highly automated operation for finish machining, coating, and assembly and testing for fire hydrants and valves.

None of the 350 jobs at the current foundry would be at risk, it was reported, and the site selection was guided in part by considerations of the current work force.

Long known as East Jordan Iron Works, EJ renamed its organization in 2011, establishing a global brand for products it manufactures at foundries in Australia, Canada, France, and Ireland. It has a second U.S. plant in Ardmore, OK. The Michigan foundry has been operating for 133 years, producing parts for agricultural, forestry, marine and railroad equipment, though now

its focus is supplying castings for water, sewer, drainage systems and telecom and utility networks.

EJ's corporate headquarters, pattern shop, product development group, water products and Northern Michigan sales office would remain in East Jordan after production is shifted to the new plant.

"Our family is very excited about this announcement, and we hope our employees are too. We continuously look for opportunities to improve our business operations across our company. This investment in a new manufacturing facility, utilizing our current workforce, will help ensure the sustainability of our business," stated EJ president Tracy Malpass, whose family has owned and operated the business since 1883.