

Magic Steel Sales, LLC

Grand Rapids, Michigan



The Magic Touch: A Journey to Sustainable Enterprise Magic Steel Sales, LLC

"Manufacturers have embraced Lean for years and have witnessed its solid "bottom line" results. Now, more companies are evaluating waste in terms of its environmental impact, building the next step of their Lean journey. The Green Suppliers Network program enables manufacturers to eliminate or manage waste properly in both production processes and environmental impact."

William C. Small, Regional Director, The Right Place, MMTCC-West

In the early 1970's Joe Maggini earned the nick name "Magic" by performing as the top salesman for his employer. Today he is the CEO of a small slit steel coil supplier in Grand Rapids, Michigan known as Magic Steel. The company has provided jobs and economic value to West Michigan's office furniture industry and others for 36 years. In 2010 Magic Steel represents the region as an example of a lasting sustainable enterprise generating approximately \$100,000,000 annual sales.

During the late 1980's the company began to expand its operations and in 1988 located the primary office and storage/manufacturing facility to its current location at 4242 Clay Avenue in Grand Rapids, Michigan. Throughout the 1990's the company continued to grow business by investing in state of the art equipment to diversify services to its customers in the cutting of cold and hot rolled steel as well as pre-painted material. In order for the company to more efficiently utilize its fleet of fifteen trucks, a spin off company was formed called Magic Transportation in 1999.



Magic Steel Sales, LLC
4242 Clay Avenue, Grand Rapids, MI

In more recent years, Magic Steel entered into partnership with Magic Coil Products, LLC and in 2009 opened a new 80,000 square foot facility in Decatur, Alabama. In 2010 Magic Steel Sales continues to attract customers from a wide range of industries throughout the nation and the world. By remaining flexible and responsive to the needs of its customers, the company continues to acquire the resources, in both personnel and facilities, which are essential for making improvements in every aspect of their business.

"Throughout our relationship, Magic Steel has continued to provide superior support to our operations and have proven themselves to be a true partner."

Brian Busch, Supply Chain Manager, Steelcase, Inc.

According to a recent Manufacturing Energy Consumption Survey (MECS) from the U.S. Energy Information Administration, about 6.7% of all U.S. manufacturing energy use is consumed by the steel industry. In 2008, Magic Steel Sales participated in a supply chain assessment process and began to identify and implement energy efficient and environmental recommendations made during that assessment. Currently the company has completed the following energy saving measures:

- The installation of T-5 lighting in the plant and T-8 lighting in offices with mirror reflectors.
- The automatic shut down of Cooling Units on slitters after a period of inactivity.
- Added programmable thermostats to all office areas.
- Added additional/new weather stripping around dock levelers and building doors.
- Corrected heating & cooling issues in offices to eliminate the use of electric space heaters.
- Added insulation over all office spaces to obtain a minimum of R30+.
- Replaced air compressor with a VFD air compressor unit and larger reservoir tanks to eliminate pressure fluctuations and allow the supply to be reduced from 110 psi to 90 psi. Added a dedicated small air compressor to facilitate the needs of one piece of equipment that required higher pressures to operate correctly.



View of the shop floor, Magic Steel Sales.

Additional energy efficient practices that are being investigated include air curtains for plant overhead doors; additional insulation on the plant roof; air rotation unit tune-up to verify efficient operation and as large electric motors fail in the plant, replacement with high efficiency motors.

Magic Steel also integrates environmental best practices into its operations by re-using, reconditioning and recycling 70% of the wood skids used to transport/package product to its customers. They also encourage the return and re-use of spacers used in packaging parts, these spacers are scrap generated from the manufacture of work surfaces for the office furniture industry, one of Magic Steels primary customers,

thus creating a “closed-loop” waste cycle between the customer and supplier. The paper used to protect the rolls of steel from the moisture in the wood skids in the plant is recycled from the drop cut waste from the sides of milk cartons.

As a result of the Green Suppliers Network assessment, Magic Steel recently switched to a “green” parts washer fluid which resulted in the elimination of 7 of the 16 “chemicals of concern” that were identified in their process. The company is also investigating the recycling options associated with the plastic and paper waste generated as a result of the master steel coil packaging process.

Magic Steel Sales remains a sustainably viable company today due to its commitment to providing quality products to their customers and a service oriented business model that recognizes profit, people and the planet as key indicators of future survival in the manufacturing industry.