EXECUTIVE SUMMARY

CUSTOMER NAME: LEED STEEL

INDUSTRY: Structural Steel Fabricator

LOCATION: Albury, Victoria-Australia

ANNUAL TONNAGE: 7,000 average

CHALLENGE: Competition, costly manual labor, long lead times break bids

SOLUTION: Automate with Peddinghaus CNC machines

RESULTS: Decreased lead times, increased production, more efficient

To some a name is just a label to place on an invoice or business card, but to others it defines the organization and its culture. LEED Steel (formerly Old Bull and Box Engineering) in Albury, Victoria – Australia, has made their name their mantra, a reminder of who they are and what they strive to be. Partners Adam Furst and Andrew Kaye aspire to lead the industry with supreme quality, unparalleled technology, and unsurpassed innovation. Their desire to succeed is only matched by their passion for moving the industry forward with innovative designs and lean production processes.

An Industry Leader is Born

When LEED Steel opened its doors as “Old Bull and Box Engineering” in 1992, founders relied on their combined years of experience in the industry to serve the eastern seaboard of Australia, as far north as Northern Queensland, and Perth. As business has evolved and markets have matured three major challenges to the Australian steel industry have only grown due to modern market complexities.

#1 Competition is fierce

Inexpensive off-shore steel fabrication creates heavy price competition in Australia. More than ever it’s critical to keep costs at a minimum to compete.
#2 Skilled manual labor is costly, and difficult to find
Similar to other markets in the world, skilled labor is getting harder and harder to find. On top of having difficulties finding labor, health and safety regulations are constantly evolving in the work place adding additional cost considerations.

#3 Lead times can make or break bid wars
Keeping operating costs low is key, but sacrificing efficiency is not an option. It’s critical not to limit the kind of work you are able to bid on in today’s business world.

To satisfy demand and meet required lead times, LEED Steel had previously found themselves adding staff, expanding space, and increasing overhead. It was essential to go as far as renting and staffing an additional 1,500 square meters of space remotely to increase shop throughput. With over 45 employees in their shop LEED Steel was processing approximately 2,500 metric tons per year, and found themselves with too many people, too little space, and the need to increase profitability. It was evident to Adam and Andrew that it was time to explore automation.

LEEDing the Way in a Globalized Steel Fabrication Market
It was at several internationally renowned exhibitions that Adam and Andrew met the group at Peddinghaus. After seeing the equipment running side by side with the competition, and visiting the headquarters in Bradley, IL - USA, LEED Steel made the decision to incorporate Peddinghaus into their production processes. The investment in a new High Speed FDB-2500 plate processor, PCD-1100 Beam Drill Line, DG-1100 Double Miter Band Saw, and an ABCM-1250 Automatic Coping System was well timed.

#1 With Peddinghaus Equipment Old Bull and Box is more competitive than ever
No longer needing to maintain their off site facility, overhead was slashed. All fabrication is now done in house at their plant in Albury, Victoria. With capacity higher than ever LEED Steel expects to fabricate between 6,000 and 8,000 metric tons in the coming year, nearly two and a half to three and a quarter times previous production figures of 2,500 metric tons. It is with Peddinghaus equipment that they are now able to process steel faster while still minimizing overhead costs.

#2 Modern labor knows technology, and is safer with Peddinghaus machines
By eliminating the human error from fabrication, parts are more accurate than ever, and today’s workforce adapts easily to the PC interface of Peddinghaus/Siemens controls. Also other shop floor operations are safer with the streamlined workflow of Peddinghaus material handling. Common hazards associated with moving heavy materials manually throughout the
shop are eliminated with their new, smart shop layout.

**#3 Tight lead times are no issue with Peddinghaus automation**

Speed is now a major part of LEED Steel’s business model. Previous lead times of 4 - 6 weeks have been slashed in half with Peddinghaus equipment. When applying manual methods each employee represented 1 - 1.5 metric tons of fabricated steel per work week. Today 2.5 - 3 metric tons of fabricated steel can be attributed to 1 employee’s work week at LEED Steel. Now each employee can produce twice the metric tonnage per week!

**More Than Fast Equipment – Peddinghaus Offers**

Superior Service and Support All Over the Globe 24 hour support combined with local field service has proven helpful for LEED Steel as they step into their first experience with automation. Questions are answered quickly by the 24 hour computer and telephone support center, while remote assistance and diagnosis has proven to be tools that help the organization get acclimated with their new machine tool investments.

“We once had a scenario where we contacted Peddinghaus in the morning per an issue with our Coper,” Adam Furst said. “That same day we had a service technician at our doorstep ready to help us get going with production as soon as possible. Peddinghaus service has been readily available every step of the way.”

**Bigger Projects, Faster Lead Times, Higher Quality – Welcome to LEED Steel**

Hand-in-hand with operation changes and a new business philosophy LEED Steel is no longer the same organization it once was, and there’s no telling what they will do next.

“With our new capacity, and ability to tackle larger jobs at shorter lead times our customers will be amazed at what our latest capabilities have come to be,” Andrew Kaye said. “We strive to be leaders in the global fabrication community. In the future automation and faster production will continue to be a key part of the services we offer customers. At LEED Steel we tackle bigger jobs, with shorter deadlines with no compromise in quality.”
Customer Case Study

FOR MORE INFORMATION

To learn more about Peddinghaus Corporation visit:
www.peddinghaus.com

PRODUCT LIST:
▪ Beam Drill Lines
▪ Angle Masters
▪ Plate Processing
▪ Coping Machines
▪ Thermal Cutting
▪ Automated Layout Marking
▪ Structural Band Saws
▪ Ironworkers
▪ Material Handling