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## Adams Manufacturing molds American classics

Bill Bregar

11-13 minutes

PORTERSVILLE, PA. — Innovation helps Adams Manufacturing Corp. stand out in the hyper-competitive resin furniture business — an Adirondack chair with gently curving lumbar support and a new barstool contoured to better fit your ... posterior.

In just three years, the RealComfort Adirondack has become Adams Manufacturing's biggest seller. The company rolled out the RealComfort Barstool last year at the Hardware Show.

"It's taking advantage of the plastic," founder Bill Adams said.

A collector and history buff, Adams said the

Adirondack chair came about when the band saw emerged in the United States around the time of the Civil War.

"What that saw allowed people to do was to produce thin, straight boards at a more rapid rate than they ever could before. So the original Adirondacks all look alike. They had straight backs and a straight seat," he said.

Originally, Adams Manufacturing's injection molded plastic Adirondacks mimicked that straight-board style. Then Bill Adams said the company had a revelation: "We don't have to have things straight. This is plastic! We can put curves in it! The chair is supposed to fit the person. The person is not supposed to fit the chair. Duhhh!"

It designed the Adams Adirondack more upright, with a back that matches the curves of a human back. All in a stackable, reasonably priced resin chair. The barstools are stackable, too.

Adams Manufacturing uses some marketing pizazz to promote itself as perhaps the only U.S.-owned company making U.S.made casual furniture. At the 2013 Hardware Show, impersonators of Abe Lincoln and Uncle Sam lounged on plastic future at the Adams booth. The company built a mock Lincoln Memorial that featured one of its Adirondack chairs on a raised platform. A banner read: "Not All Resin Furniture is Created Equal."

The timing is good. "This is really important now that big box stores are really emphasizing U.S.-made products as one of their major strategies," said Daniel Stainer, director of custom molding. "Made In USA" is part of the company's logo.

An improving economy also makes it a good time to promote Adams Manufacturing's large-tonnage press expertise for custom molding. Eleven of the company's 30 injection molding machines have clamping forces of 1,500 tons and higher. "That's a very unique profile. So that allows us some opportunities to do some larger custom work," said Thomas Lombardo, who joined Adams last fall as president and CEO.

Late last year, Adams Manufacturing installed its biggest

machine ever: a 2,600-ton Maxima press from Milacron LLC. That press is molding chaise lounge chairs, for use by pools and beaches. Before that, the largest had been a 2,200-ton Milacron.

The company has done custom molding before, turning out big parts like totes and wheelbarrows.

"We would like to do more custom molding, because it evens out our workflow," Adams said.

Lombardo said the company has never actively marketed its custom molding capability. Adams Manufacturing, he said, can make large plastic parts but it is not set up to do "high-touch" plastic parts, with welding and assembly. Parts like resin chairs — that emerge from the mold, all done — hit the firm's sweet spot.

Lombardo took the top executive spot, allowing Adams, 69, to move to chairman. He is a veteran of retailing and the resin furniture business. Adams, Lombardo and Stainer discussed the challenges of the resin furniture market and the history of a company that began by designing a better suction cup, during an interview at the headquarters conference room. The dark paneled room is packed with antiques and oddities that would feel at home on "Antiques Roadshow," one of Adams' of his favorite TV shows. He loves going to antique stores and flea markets.

Adams met Lombardo a few years ago at a Hardware Show, and when he became available, made him a job offer.

"For Bill and I to get together, the goal wasn't really resin furniture. The goal was, what's the next chapter in the life of Adams?" Lombardo said.

Portersville, a tiny hamlet off I-79 between Butler and New Castle, Pa., seems an unlikely place for a major furniture molder and plastics success story. Bill picked the area for a plant, moving from Pittsburgh for a simple reason: Portersville had no zoning. No hassles.

Today, Adams Manufacturing employs about 275 people. That's more than the population of Portersville.

"This is small-town America," Adams said. "There's 250 people in Portersville, and here we are, serving some of the biggest corporations in America."

Sales are about \$50 million.

The company had humble beginnings — as modest as the orange Chevette that Bill Adams drove around western Pennsylvania hawking suction cups in the late 1970s.

## **Road to plastics**

Adams backed into the plastics industry. After returning from Vietnam, he became an elementary school librarian in Pittsburgh.

"Then my grandfather died, and left me \$10,000," explaining how he resigned from the school, and used part of the inheritance for a mold to make suction cups. The idea: A window blanket to insulate basement and attic windows, with essentially a sheet of bubble wrap, held up by suction cups and thumbtacks.

The idea flopped.

"Nobody would buy it. At that time, I had quit my job and had no money - just a lot of debt. And I was driving by a tire store, and

they were having a sale and they had these big signs held onto the windows with duct tape. I stopped and told them, 'You use these suction cups and the thumb tacks, you won't have this mess to clean off the windows.' And the guy said, 'I'll take two boxes.' It was the first money I'd seen since I quit my job. It was wonderful!"

His voice is low-key, like NPR newsman Carl Kasell, but he can get excited.

Adams had contracted with a molder, and he had a ton of suction cups.

"And the next day I just got in the car and I drove around to every gas station I could. And by the end of the day, I couldn't fold my billfold, I had so much money. I said, 'Wow, this is wonderful!'

"Pretty soon I ran out of gas stations and tire stores, but I found out that hardware stores would sell them. So I made a little pointof-purchase display that went by the register, and they would dump a bunch of suction cups and thumb tacks in there."

Back then, every town had a craft store and one or two office supply stories and hardware stores.

"I could sell every one of those stores a gross of suction cups. I was a peddler, that's all I was. I had a 1976 Chevette. Orange. Ugliest car you ever saw, and I did that for three or four years. I've been in every hardware store, I think, between Cleveland and 100 miles easy."

Eventually, he got the suction cups into Ace Hardware stores and later, big-box retailers like Wal-Mart Stores Inc. McDonald's uses them for its window signs ... and if you see a guy studying them closely, Adams is the one. "Oh yes, I'm fixated on suction cups," he said, chuckling.

To see if it's an Adams, look for the rings. He has patented the suction cup, featuring molded-in rings to diffuse light and reduce marking on windows. The Adams website details the history of suction cups (first made out of gourds, they were used to draw bad blood away from diseased organs in the third century BC). Ever the historian.

He got another mold built, for larger suction cups. And in the mid-1980s, Adams decided to become a plastics molder.

With outsourced molding, "I couldn't control the quality, and a suction cup has to be perfect," he said. "I realized that the only way we could make the cups good enough was to be molding them myself, so I could control the material, I could control the mold and I could control the packing out."

The business left Pittsburgh and moved to Portersville, into a garage, where Adams started running two injection machines. Then he built a 13,000-square-foot headquarters, later expanded to 45,000 square feet. About 10 years ago, the company built a 124,000-square-foot factory, which now does all manufacturing. Adams has a total of about a million square feet of space in the area, including nearby warehousing and distribution.

Adams Manufacturing became a major supplier of Christmas items, such as hooks for lights, wire wreath holders and suction cups to hold decorations. To even out the seasonal mix, the company added folding tables and chairs. Then came a big move around 2006, when Adams bought the Bemis Manufacturing Co.'s casual furniture molds, after Bemis got out of that segment.

## Commoditization

The lightweight, stackable resin chair, known in the trade as a monobloc chair, is a classic example of a highly engineered product that broke new ground. When they came out, the chairs were premium priced, but more players entered the market, and over the years it has become a commodity item. Retailers often blow-out price them each spring to get customers in the doors.

Adams said there used to be eight or nine companies making resin furniture in the United States and Canada. Many of the names are now gone — Syroco, Lawnware, Laich Industries, Euro United.

Survivors include French-owned Grosfillex Inc., U.S. Leisure, part of Keter Plastic Ltd. of Israel and Canada-based Gracious Living Corp.

## What happened?

"There was a commoditization of the product line, would be one thing. Retail consolidation would be another," Lombardo said. "And it takes a heavy capital investment to innovate and change. Those are probably the top reasons. It's pretty basic."

You need large-tonnage injection machines to make monobloc chairs, requiring a major cash outlay. The big molds are expensive. Prices for polypropylene resin can be volatile, especially in recent years. Those all are major barriers to entry for a new player.

But people always seem willing to try. So Adams realized he had

to buy up molds as competitors shut down. The strategy worked, and limited newcomers that might cut corners and cheapen their chairs, and hurt the image of resin furniture.

Lombardo saw it happen as an early retail buyer of the storage Rubbermaid tote. At first it sold for \$15, he said. Now you can find specials for five or six bucks.

In resin chairs, he said, "The margins are as challenged as any commoditized business. So you have to innovative."

Company executives cite the barstool as a good example. Adams said they bought casts of skeleton hip bones and the pelvis area off the Internet. "So we were able to take those and we were able to project how big these little tiny cavities should be," he said. They built lots of prototypes from wood.

Once people tried it, the barstool took off. "It's one of the most exciting things in plastic furniture," Adams said.

Company officials are planning another big introduction at this year's Hardware Show, May 6-8 in Las Vegas. But they're keeping details secret.

The company holds more than 160 patents on everything from the barstool seating design to a special no-slip foot pad, called the SafetyGrip, securely attached to the legs of every chair.

Stackable resin chairs a commodity? "We try to get away from that, like on the feet. Now these feet cost us a lot more than the little cheapie feet. But those don't come out. It's worth the cost," Adams said.