

MAIN STREET

A Section Devoted to Southern New England's Small Businesses

Metallurgical a hot firm

By **Allan J. Hughes, Jr.**
Staff Writer

In 1989, Gregory W. Dexter and John J. O'Meara struck while the iron was hot — actually it was steel.

After years of working for others in the heat treating industry, they decided it was time to work for themselves, so they founded Metallurgical Solutions, Inc. in East Providence.

"There's nothing like owning your own business," says co-owner O'Meara. "But you better want it real bad."

"There's a lot of sacrifice, but you've got to be sure you're capitalized as well as possible," says Dexter, Metallurgical's other co-owner. "You have to have a good business plan and you must surround yourselves with the right advisers."

It took three years before the company saw a profit, but last year Metallurgical reported gross sales of \$1.2 million and is listed by *Providence Business News* as one of Rhode Island's fastest-growing companies.

Dexter says that he and O'Meara started on their own at a time when many companies in New England were closing their heat treating plants, cutting back on using the furnaces needed for the process, or moving operations to southern states.

"That created a void," Dexter says. "We saw that void as an opportunity, and we went in there and grabbed it. The timing was right. It's niche marketing."

O'Meara describes the heart of the operation in their 14,000-square-foot Providence plant

— to which they moved in 1994 — as three salt bath furnaces in which semi-finished machine parts or cutting tools are heated and hardened at temperatures of up to 2,300 degrees Fahrenheit.

"People in New England used to do heat treating all the

tomers, for which it heat treats drivers for pneumatic tools like nail guns. The company also does tool hardening work for Niagara Cutting Tools, North Attleboro TAP, and Emhart in Hartford, Conn. "We heat treat between 7,000 and 8,000 pounds of finished cutting tools and components every week," says Dexter. "We're the largest on the Atlantic seaboard. We get orders from Michigan, Ohio, Nevada, and California."

The company now operates three shifts, 24 hours a day, five days a week, O'Meara says, with 18 total employees.

One third of Metallurgical's workforce is made up of Dexter and O'Meara family members.

The company was started with O'Meara and his two sons, Kevin and Sean, and Dexter, O'Meara says. Eventually, Dexter's two sons, Jason and Samuel, came to work for their father. Dexter and O'Meara are now looking to diversify, and soon will begin manufacturing

cutting tool inserts for some of their customers.

"We'll never market those under our name, but we'll make them for existing customers," says O'Meara.

As part of that diversification, Dexter and O'Meara have created Symphony P.M., Inc. at the same location as Metallurgical at 85 Aldrich St. Symphony makes cutting tool inserts, blades and wear resistant components.

O'Meara says he and Dexter avoided one funding pitfall in the beginning by getting financing from Citizens Bank, and not from one of the financial institutions involved in the credit union crisis, which occurred fairly soon after their company was formed.

"We really had fewer problems than most people because we knew the market so well. We knew everybody in New England who needed this kind of service and we went after them," O'Meara says.

O'Meara has advice for entrepreneurs looking to start up a business: Know your product, have a good business plan, be prepared to work hard, and have proper capitalization. □



BUSY TIMES: Worker removes hot piece from heat treating process

COMPANY PROFILE

Company: Metallurgical Solutions, Inc.,

President: John J. O'Meara

Vice President: Gregory W. Dexter

Gross annual sales: \$1.2 million

Number of employees: 18

Founded: 1989

Type of business: Commercial salt bath heat treatment for high speed and tool steels, carbon and low alloy steels.

time," says O'Meara. "But in the 70's, when the cost of electricity started going up, it got to the point where they could no longer afford to keep the salt bath furnaces going 24 hours a day. "When we first started the company," O'Meara says, "we found that the furnaces took 92 percent as much electricity running idle as if you put work through them. So you might as well use them."

Metallurgical now counts Stanley Fastening Systems Division among its major cus-