GEORGIA INSTITUTE OF TECHNOLOGY
Engineering Experiment Station

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Project Title: A Market Study of Steel Users in the Five-County Metropolitan Atlanta Area

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Date 2/26/70

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Five-County Metropolitan Atlanta Area

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PROJECT DIRECTOR: George D. Woodard, Jr.

SPONSOR: American Industries Corporation

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A PRELIMINARY EVALUATION OF THE ATLANTA MARKET FOR SELECTED CARBON STEEL FORMS

Submitted to
AMERICAN INDUSTRIES CORPORATION

by
INDUSTRIAL DEVELOPMENT DIVISION

Project A-1210

1970

Engineering Experiment Station
GEORGIA INSTITUTE OF TECHNOLOGY
Atlanta, Georgia
A PRELIMINARY EVALUATION OF THE ATLANTA MARKET FOR SELECTED CARBON STEEL FORMS

by

Harvey Diamond

Industrial Development Division
Engineering Experiment Station
GEORGIA INSTITUTE OF TECHNOLOGY
February 1970
A PRELIMINARY EVALUATION OF THE ATLANTA MARKET FOR SELECTED CARBON STEEL FORMS

Introduction

Metropolitan Atlanta is fast becoming a leading metal fabricating area. However, because this metalworking growth far exceeds that of local raw material facilities, much of the carbon steel consumed in Atlanta and environs must be purchased from companies in states other than Georgia. Atlanta's metalworking complex would benefit greatly if additional sources for basic carbon steel forms were available locally to service metal fabricators in the area.

Purpose and Procedure

The purpose of this study is to quantify the Atlanta market for specific carbon steel products and to determine which industries consume the major percentages of these shapes. Carbon steel shapes covered in the survey are coils, strips, and roof decking. Because early questionnaire returns indicated that sheet steel is frequently used as a substitute for coil or strip, this item has also been included in the report.

The study area is composed of the five-county metropolitan Atlanta area plus 15 surrounding counties, an area which encompasses the entire metal market within a 50-mile radius of central Atlanta. (See Map 1.)

Metalworking companies which were to be contacted and surveyed were limited to those firms in the study area with more than 20 employees and were selected from IDD-Georgia Tech files and current manufacturing directories. Company selection was based on processes performed and products produced. In all, a comprehensive list of 125 firms was prepared. (See Appendix 1.)

To each of these companies a questionnaire was mailed requesting specific information about carbon steel coil, strip, and roof decking. (See Appendix 2.) Those metal fabricators that failed to return the questionnaire were queried by telephone and the pertinent information was collected verbally. All 125 selected firms were contacted.

The questionnaire replies show that 74 of the metalworking companies solicited use little or no carbon steel coil, strip, decking, and sheet. Because the small amounts of carbon steel products purchased by many of these fabricators
Map 1

STUDY MARKET AREA FOR COIL, STRIP, AND ROOF DECK CARBON STEEL FORMS
represent such a fractional percentage of the total market, only figures from companies consuming more than 50,000 pounds annually were evaluated and collated for this study.

Findings

There are 51 metal fabricating companies within 50 miles of Atlanta that consume substantial volumes of one or more carbon steel forms. Collectively these firms purchase more than 165,000 tons of carbon steel coil, strip, sheet, and roof decking annually.

The following is a more definitive breakdown and analysis of the area market for each carbon steel form:

Coil. Of the four types of carbon steel shapes reviewed for this report, more coil steel is consumed in the Atlanta area than the other three combined. Approximate poundage estimates from 17 metal fabricators participating in the study total nearly 58,000 tons annually. Most of this volume is cold rolled -- 36,000 tons. Used in lesser quantities are hot roll, 16,000 tons; galvanized, 5,000 tons; and pickled, less than 1,000 tons.

Gauge thicknesses for these coils range from about 0.000 to 28; the lighter gauges (18-24) constitute the bulk of the poundage.

Width of coils varies from less than one inch to 50 inches; the most popular sizes are between 24 inches and 48 inches.

The companies which consume large quantities of carbon steel coil (more than 1,000 tons) all obtain much of their requirements from out-of-state, with large poundages shipped from Pennsylvania, Alabama, and Ohio. Although closer carbon steel supplies would not affect consumption, a few firms indicate that they would like to do business with local raw material sources, if and when adequate and competitive facilities become available.

There is, in addition to the above consumed volume of 58,000 tons, a similar volume (60,000 tons) of specialized coiled carbon steel used in the Atlanta area. These coils are of standard can stock that has been pickled and tin plated.

Strip. The consumption of carbon steel in strip form in the Atlanta area approximates 10% that of coil. Positive responses from 16 metalworking companies totaled about 12,000 tons annually. Of this, 7,200 tons are cold rolled, 2,400...
tons are galvanized, 1,300 tons are pickled, and just under 1,000 tons are hot rolled.

The strips are purchased in gauges between 7 and 26 in widths up to 48 inches. As with coil, most small-volume users buy from Georgia sources, while the larger quantities are shipped from Alabama and Ohio.

Decking. Only five of the 125 surveyed companies consume substantial volumes of carbon steel decking. Together, these firms use about 3,600 tons annually. Most of this decking is of 18 or 20-gauge steel cut to 24, 30, and 36-inch widths. All but a few hundred tons is galvanized and shipped into the Atlanta area from Ohio, Alabama, and Pennsylvania.

Sheet. Sheet steel is the most widely used form of the four carbon steel types examined for this report.

Originally, no consideration was to be given to carbon steel sheet. However, because strip poundages had been replaced by sheet in some of the returned questionnaires, and since a number of fabricators had commented on their use of the more available sheet forms, negatively responding companies were recontacted for sheet utilization information.

In the Atlanta study area, 34 metalworking firms consume more than 32,000 tons of carbon steel sheeting annually. Much of this volume is in gauges of 16 to 26 and in widths from 24 inches to 60 inches. Small-quantity consumers purchase locally, whereas large shipments originate in the Midwest.

End Use

Almost all of the carbon steel decking consumed in the study area is by metalworking companies classified as manufacturers of fabricated structural metal products (SIC 344). This is the same end-use industry which uses the major portion of all the steel decking produced nationally.

For carbon steel coil, strip, and sheet forms, the greatest end use on the national level is the automotive industry (about 44%). In Georgia, however, the automotive industry is basically an assembly operation and steel consumption is minimal. The following table lists by approximate volume for each steel form the industries in the Atlanta study area that consume more than 1,000 tons annually:
END-USE INDUSTRIES FOR SELECTED CARBON STEEL FORMS

<table>
<thead>
<tr>
<th>Industry (SIC)</th>
<th>Volume (Tonnage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>341</td>
<td>60,000</td>
</tr>
<tr>
<td>364</td>
<td>32,000</td>
</tr>
<tr>
<td>344</td>
<td>17,500</td>
</tr>
<tr>
<td>374</td>
<td>16,000</td>
</tr>
<tr>
<td>358</td>
<td>12,500</td>
</tr>
<tr>
<td>371</td>
<td>10,000</td>
</tr>
<tr>
<td>349</td>
<td>4,200</td>
</tr>
<tr>
<td>251</td>
<td>3,800</td>
</tr>
<tr>
<td>379</td>
<td>2,600</td>
</tr>
<tr>
<td>352</td>
<td>2,000</td>
</tr>
<tr>
<td>361</td>
<td>1,800</td>
</tr>
</tbody>
</table>

* See Appendix 3 for industry descriptions.
The combined consumption of these 11 industries equals 162,400 tons, or 98% of the total known market for carbon steel coil, strip, decking, and sheet in the Atlanta study area.

Conclusion

There is a large acknowledged market for carbon steel forms in an area within 50 miles of Atlanta, Georgia. Only a small portion of this market is serviced by Atlanta plants and distributors.

Since the prevailing reason for this raw material importation is that most required items are unavailable locally, it would appear that new adequate and competitive metal supplying facilities in Atlanta could well penetrate the existing area market.
Appendix 1
RECIPENTS OF CARBON STEEL PRODUCTS QUESTIONNAIRE

Atlanta
Air Refrigeration Corporation
Aladdin Engineering Company
American Industries Corporation
Artistic Ornamental Iron
Atlanta Grotnes Machine Company
Atlanta Kitchen
Atlanta Machine Works
Atlanta Metallic Casket Company, Inc.
Atlanta Steel Supply Company
Atlanta Stove Works, Inc.
Atlantic Sheet Metal
Audichron Company
Auto-Soler Company
Bankhead Enterprises, Inc.
Barron Fabricators, Inc.
Berkeley Pump Company
Breman Steel Company, Inc.
Browning Company
E. V. Camp Steel Works
W. C. Caye & Company, Inc.
Cherokee Heating Company, Inc.
Cherokee Metals Company
Coleman Brothers Sheet Metal
Crown Cork & Seal Company, Inc.
Custom Creations, Inc.
Davidson-Kennedy Company, Inc.
Dixie Seal & Stamp Company
Dixie Steel Buildings, Inc.
Dutton & Kitchens, Inc.
Elliott Business Machines, Inc.
Evans Tool & Die, Inc.
J. J. Finnigan Company, Inc.
Florida Steel Corporation

FMC Corporation
Gate City Table Company, Inc.
Gemco Elevator Company, Inc.
Johnson Manufacturing Company
K & S Tool Engraving & Engineering
Kitchen Equipment Corporation
R. F. Knox Company, Inc.
Lanham Machinery Company, Inc.
Lanier Electronic Lab
Larkin Coils, Inc.
Latham Time Recorder Company
Lockheed Aircraft Corporation
C. H. Martin Company
McBurney Stoker & Equipment
Metal Fabricators Inc.
National Service Industries, Inc.
Pioneer Heddle & Reed Company
Posey & Linn, Inc.
Potter & Rayfield, Inc.
Power Service Corporation
Rheem Manufacturing Company
Rosenthal Metal Company, Inc.
Saratoga Conveyor Corporation
Scripto, Inc.
Simmons Company
J & B Smith Company, Inc.
Southeastern Elevator
Southern Cross Industries, Inc.
Southern Iron & Equipment
Southern Saw Service, Inc.
Southland Casket Company, Inc.
Speed Check Company, Inc.
Square D Company
Appendix 1 (continued)

- Steel Heddle Manufacturing Company
- Storer Company, Inc.
- Taylor Instrument Companies
- Turner Advertising Company
- Warren Company, Inc.
- Westinghouse Electric Corporation

- **Austell**
  - Production Engineering

- **Avondale Estates**
  - Diamond Jims, Inc.

- **Ball Ground**
  - Cecil L. Ingram

- **Buford**
  - Barrington Corporation

- **Canton**
  - Cherokee Tool & Engineering
  - National Service Industries, Inc.

- **Carrollton**
  - Douglas & Lomason Company
  - Industrial Foundries, Inc.

- **Chamblee**
  - Atlas Manufacturing & Machine Corp.
  - Auto Ventshade, Inc.
  - Cutler-Hammer, Inc.
  - Federal Pacific Electric Company
  - General Electric Company

- **College Park**
  - B & P Fabricating Company

- **Conyers**
  - Lithonia Lighting, Inc.
  - Madison Industries, Inc.

- **Decatur**
  - Custom-Vent, Inc.
  - Woodman Company, Inc.

- **Doraville**
  - Atlanta Venetian Blind Manufacturer
  - Awnings, Inc.
  - L. B. Foster Company
  - Industrial Fabricators
  - Scientific-Atlanta, Inc.

- **Fairburn**
  - Tallyho Manufacturing Company

- **Forest Park**
  - American Can Company
  - Murphy & Orr Company

- **Gainesville**
  - Leece-Neville Company
  - Vintage Homes, Inc.

- **Griffin**
  - Ohio Brass Company
<table>
<thead>
<tr>
<th>Location</th>
<th>Company Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hampton</td>
<td>Southern States, Inc.</td>
</tr>
<tr>
<td>Hapeville</td>
<td>Superior Steel Fabricators, Inc.</td>
</tr>
<tr>
<td>Jonesboro</td>
<td>Low Temp Manufacturing Company, Inc.</td>
</tr>
<tr>
<td></td>
<td>Zuck Pail &amp; Can Company</td>
</tr>
<tr>
<td>Lawrenceville</td>
<td>Owen of Georgia, Inc.</td>
</tr>
<tr>
<td>Marietta</td>
<td>Damar, Inc.</td>
</tr>
<tr>
<td></td>
<td>Lockheed-Georgia Company</td>
</tr>
<tr>
<td>McDonough</td>
<td>McDonough Power</td>
</tr>
<tr>
<td>Monroe</td>
<td>Chamberlain Manufacturing Corp.</td>
</tr>
<tr>
<td>Newnan</td>
<td>William L. Bonnell Company, Inc.</td>
</tr>
<tr>
<td></td>
<td>Brown Steel Contractors</td>
</tr>
<tr>
<td></td>
<td>R. D. Cole Manufacturing Company, Inc.</td>
</tr>
<tr>
<td></td>
<td>Douglas &amp; Lomason Company</td>
</tr>
<tr>
<td>Norcross</td>
<td>Fulton Metal Products Company</td>
</tr>
<tr>
<td>Peachtree City</td>
<td>Franklin Products Corporation</td>
</tr>
<tr>
<td>Scottdale</td>
<td>Steel, Inc.</td>
</tr>
<tr>
<td>Smyrna</td>
<td>Cobb Metal Products Corporation</td>
</tr>
<tr>
<td></td>
<td>Consolidated Foods Corporation</td>
</tr>
<tr>
<td>Tucker</td>
<td>AGN Manufacturing, Inc.</td>
</tr>
<tr>
<td></td>
<td>Custom Engineering Corporation</td>
</tr>
<tr>
<td></td>
<td>I-T-E Imperial Corporation</td>
</tr>
<tr>
<td></td>
<td>Leslie Welding Company, Inc.</td>
</tr>
<tr>
<td>Winder</td>
<td>Rohr Corporation</td>
</tr>
<tr>
<td></td>
<td>Wick Building Systems, Inc.</td>
</tr>
</tbody>
</table>
Appendix 2
QUESTIONNAIRE
CARBON STEEL PRODUCTS

Principal Products

Number of Employees

What is your annual consumption of carbon steel products in dollar and/or weight volumes?

<table>
<thead>
<tr>
<th>Form</th>
<th>Value</th>
<th>Poundage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coil</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Strip</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roof deck</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

What percentage of the above is:

| Hot Rolled    | coil   | strip   |
| Cold Rolled   | coil   | strip   |
| Pickled       | coil   | strip   |
| Galvanized    | coil   | strip   | roof deck |

What sizes of carbon steel do you use?

<table>
<thead>
<tr>
<th>Gauge</th>
<th>coil</th>
<th>strip</th>
<th>roof deck</th>
</tr>
</thead>
<tbody>
<tr>
<td>Width</td>
<td>coil</td>
<td>strip</td>
<td>roof deck</td>
</tr>
</tbody>
</table>

From which geographical area (state) do you purchase carbon steel products?

- coil
- strip
- roof deck

Would additional carbon steel facilities in the Atlanta area affect your consumption? Yes No

To what extent?

- coil
- strip
- roof deck

Comments
Appendix 3

STANDARD INDUSTRIAL CLASSIFICATION

<table>
<thead>
<tr>
<th>SIC</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>251</td>
<td>Household Furniture</td>
</tr>
<tr>
<td>341</td>
<td>Metal Cans</td>
</tr>
<tr>
<td>344</td>
<td>Fabricated Structural Metal Products</td>
</tr>
<tr>
<td>349</td>
<td>Miscellaneous Fabricated Metal Products</td>
</tr>
<tr>
<td>352</td>
<td>Farm Machinery and Equipment</td>
</tr>
<tr>
<td>358</td>
<td>Service Industry Machines</td>
</tr>
<tr>
<td>361</td>
<td>Electric Transmission and Distribution Equipment</td>
</tr>
<tr>
<td>364</td>
<td>Electric Lighting and Wiring Equipment</td>
</tr>
<tr>
<td>371</td>
<td>Motor Vehicles and Motor Vehicle Equipment</td>
</tr>
<tr>
<td>374</td>
<td>Railroad Equipment</td>
</tr>
<tr>
<td>379</td>
<td>Miscellaneous Transportation Equipment</td>
</tr>
</tbody>
</table>