

# Precision Manufacturing

Case Study: Klein Steel

Brownfield/Building Redevelopment Program



Rochester Gas and Electric Corporation





# Work force, R&D, quality of life

## Brownfield/Building Redevelopment Program

*"The cooperation between RG&E and Klein Steel is a boon to economic development in Rochester, and a model for other utilities to follow. Without RG&E's financial assistance, our project would not have been nearly as successful."*  
 – David Feinstein  
 Chief Financial Officer  
 Klein Steel

In 2006, more than 15,000 manufacturing companies in New York employed 400,000 highly-skilled metalworkers, machinists and assemblers, delivering more than \$40 billion in production, 4.2% of the nation's output.<sup>1</sup>

Our labor costs are lower than most leading industrial states, our work force standards are higher and our training and educational resources far greater. High populations of industrial manufacturers and skilled employees are found throughout New York. Our area has the research and development assets, strong university-industry relationships, skilled labor and quality of life required by industrial manufacturers.

■ **In Western New York, precision manufacturing employment is more than double the nationwide average – 21,655 employees work at 798 plants.**<sup>2</sup>

- Dresser-Rand – centrifugal and reciprocating compressors, expanders, steam and gas turbines
- Cummins Engine – diesel engines
- SKF – bearings
- Cooper Turbocompressor – products and services for centrifugal air compression equipment

■ **In Rochester and the Finger Lakes, nearly 15,000 precision manufacturing employees work in more than 400 factories – 59% above the national average.**<sup>3</sup>

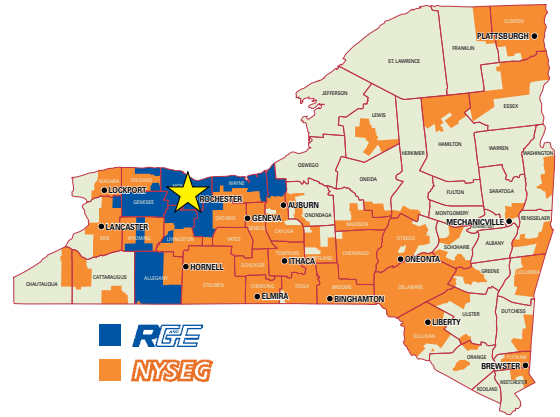
- Gleason Corporation – gears and gear machines
- SPX Corporation – industrial products and vehicle components
- Pfaudler, Inc. – glass-lined equipment

■ **In Eastern New York, more than 9,000 machinists and metalworkers staff 480 factories and plants, which is 12% above the national average.**<sup>4</sup>

- GE – turbines for electrical generation
- Garden Way – motorized garden equipment
- Plug Power – fuel cells

■ **Nearly 9,000 skilled workers staff precision manufacturing companies in the Southern Tier – almost 60% above the national average.**<sup>5</sup>

- Hardinge, Inc – metal cutting products
- Pall Trinity Micro Corporation – filtration and separation equipment
- Hilliard Corporation – filters, clutches and brakes




Assistance and Incentive programs are available to eligible New York State Electric & Gas (NYSEG) and Rochester Gas and Electric (RG&E) customers

## C A S E S T U D Y

### Klein Steel

#### Location

- Rochester 

#### Products

- Carbon steel
- Stainless steel
- Aluminum
- Fiberglass

#### Community Impact

- 115 high-skill, high-wage production positions

#### Program

- Brownfield/Building Redevelopment Program

#### Project Details

In 1971, Arnold Klein founded a steel wholesaler to meet the unique needs of customers requiring customized service, high quality materials and competitive prices. In the 34 years since, Klein Steel has grown from three truckloads of steel in a warehouse composed of three garages to a 132,000-square-foot facility with an inventory of over 5,000 tons.

Today, the company serves more than 1,000 customers with steel, stainless, aluminum and fiberglass products, including specialty and hard-to-find items, as well as a full range of cutting and processing services from one piece to multi-piece productions.

With its customer base at a more than 1000 and growing, Klein needed to build a new warehouse immediately and three more plants in the coming decade. RG&E provided an infrastructure assistance grant to help offset electric infrastructure costs for the new warehouse in 2004 and kept Klein's 115 jobs in the area.

Since 2004, the company has continued to grow and now has 180 employees.



For more information, visit [lookupstateny.com](http://lookupstateny.com) or call 1.800.456.5153

<sup>1,2,3,4,5</sup> New York State Economic development Agency, February 2007  
<http://www.empire.state.ny.us/>