

Glendale company's parts resist high temperatures

Special Report: Homefront

By Eric Decker of SBT

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Molding made by Glendale-based Gossen Corp. are commonly used in homes throughout the South because the PVC parts last longer than their wooden counterparts. Now, the company hopes to expand its market in the Midwest. Gossen's interior and exterior trim, balusters, hand rails, window parts and garage door accessories are particularly popular because of the high heat and humidity in the South. Those conditions make wooden components subject to rot and termite infestation.

Gossen's PVC parts carry higher prices tag than most wooden components, but they never need to be replaced for deterioration, said Bob Simon, executive vice president of Gossen.

"We sell the life cycle advantage for the builder or homeowner," he said. "Our product has a lifetime warranty. The best you can get from wood is 15 to 20 years."

Gossen's garage door components are used in about 40 percent of the garage doors sold in the United States. However, most homeowners won't recognize the Gossen name because the pieces are sold to original equipment manufacturers (OEMs), who incorporate the pieces into garage door sets before they are sold.

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-- Bob Simon, Gossen Corp.

The company has similar relationships with many of the largest regional and national window manufacturers, Simon said. Gossen makes almost all of the pieces needed for residential windows, other than the glass panes and spring-loaded sash belts. Window manufacturers that buy components from Gossen include Anderson, Lincoln Wood, Weather Shield and many others, Simon said.

Instead of purchasing formulas for its PVC compounds on the open market, Gossen buys raw products and uses an in-house chemist to create its own compounds, Simon said.

"That's given us big savings," he said. "On the open market, we'd be buying (compounds) for 80 to 85 cents per pound. By making our own, we're paying 62 to 65 cents per pound."

About 65 percent of Gossen's costs are in raw materials, largely because PVC is made from petrochemicals, which are subject to market fluctuations. Although the company had to deal with recent record petroleum prices, its chemist was able to save the company about \$1 million over the last year through formula changes.

“We’re constantly looking at (our formula) to save money,” Simon said.

Close scrutiny to its formula and a booming market in new home construction have given Gossen 12 percent average growth over the past five years, Simon said. Although new home construction is decreasing, the company is still predicting about 8 percent sales growth this year, he said.

To continue its sales increases, Gossen is working hard to expose homebuilders in the Midwest, Southwest and West to its products. Gossen is working now to establish better contacts with both builders and distributors in those regions, Simon said.

“Builders are looking for availability, which we don’t have (in those parts of the country),” he said. “But they’re also looking for durability, cost and life cycle advantage.”

Gossen also is experimenting with new formulations, to create wood-plastic composite window, garage and trim pieces. Because the composite pieces have wood in them, they have a higher strength ratio and resist heat better than PVC pieces, Simon said.

PVC pieces are able to handle heat deflection temperatures of up to 157 degrees, but the wood-plastic composites can take heat deflections up to 200 degrees.

“In the desert areas, the wood composites will handle (the temperatures), but PVC will not,” Simon said.

Gossen’s chemist and engineers are now finalizing the company’s formula for the wood-plastic composite chemical and its manufacturing process. The company will also need to create its own tooling to create the pieces – something it does for each of its manufacturing processes.

“The secret is in tool design,” Simon said. “The big commitment is going to be finding all of the products we want to make in (composites) and then doing the tooling. We could be looking at 2008.”²

Gossen is also now working with one of its OEM customers to develop a garage door that is completely made of PVC. The panels for the door are made of the plastic, and a urethane compound is injected into it, giving the door a high strength ratio. The doors will be marketed in Florida and other southeastern states that are prone to hurricanes.

Gossen Corp.

Address: 2030 W. Bender Rd., Glendale, Wis.

Products: PVC window, door and garage door components, interior and exterior trim and other home products.

Employees: About 300 in Wisconsin and Georgia

Web site: www.gossencorp.com

The company is also developing interior doors made of PVC, which it will sell in southern states.

Gossen has two facilities, each with about 100,000 square feet of space, in the Milwaukee area. Its headquarters and manufacturing facility is located at 2030 W. Bender Rd. in Glendale, while its warehouse and distribution center is at 3701 W. Green Tree Rd. in Milwaukee.

The company has another manufacturing facility in Cartersville, Ga., where it also makes PVC parts.

Once Gossen begins finalizing its wood-plastic composite process and begins gaining a foothold in other markets, the company will have a better idea of where it needs to expand, Simon said.

"We'll know more towards the end of 2007," he said.