



# Big names combine down under

In February, NALCO (National Aluminium Ltd) announced it had reached an agreement with Fletcher Building on a joint venture with Fletcher Aluminium. The newly established business will be jointly owned by Fletcher Building and NALCO, with each having equal shareholdings. **Janet Grosse\*** explains

At the time, NALCO Chairman, Bill Bradnam, said: "The joint venture would create a strong competitor in markets such as windows and doors, and supply to the custom shapes market, with the best of both businesses coming together in terms of experienced people and market leading products."

On 1st July 2016, a joint venture was established between two of New Zealand's biggest names in aluminium extrusion, namely Fletcher Building and NALCO. The new registered name is FANALCO Ltd. As a new entity we are working on a new trading name that represents our combined values and vision. The aim is to have a trading name in place by the end of the year.

FANALCO Ltd, Managing Director, Ron Holden (previously Managing Director of NALCO) sees some big opportunities ahead for the newly formed company.

"Firstly, our commitment is to transition the business with as little interruption or

impact to our customers. This commitment is very much at the forefront of our internal discussions and plans in both businesses", say Ron Holden, Managing Director.

One of the key drivers for the joint venture to proceed was the 2015 purchase by NALCO of a new Press. Part of the joint venture was to improve manufacturing by replacing the old Farrell Press with the latest Turla eco+logic 2.0 extrusion Press from Italy.

In 2014 NALCO explored a number of press and handling system options from around the world before settling on Turla. The selection process among potential suppliers became a bit like an interrogation. "We had to be absolutely confident that whoever we chose completely understood our issues and scope", say Ian Bickerton (National Operations Manager).

The sourcing and selection process started with understanding the diverse nature of our business coupled with the relatively small and over-served New

Zealand market. This meant the Press needed to be very flexible as we service customers who are very knowledgeable and have plenty of choice.

With our small market and being a business with a single Press meant we would have to manage small orders across a wide product range, so it was essential that the Press offered absolute reliability and repeatability. Ron emphasises that "Turla provides full service support, this was important to have."

There is significant interest on the new Press however, we should broaden our thinking. We have not just purchased a new Press, our investment extends to a Press Management System and comprehensive processing line for extruding aluminium, the first of its kind. "It's the only one of its kind in Australasia," Ron says.



Why it works for us:

- Material Handling System has been introduced to help reduce/eliminate damage to the extrusion in the manufacturing process.
- There should be a decrease in injuries to staff when handling or lifting extrusion.
- The Material Handling System is semi-automatic, so more efficient.
- Human intervention is only needed after the extrusion is out of the age oven.
- The Processing Line allows for more flexibility and seamless routing through the factory.
- Separate conveyor line redirects scrap, offering benefits.
- 54 metre run out tables have been installed.
- Supported by a 24 hour Packaging Line.

We have the very best people in the country, possibly Australasia working on the new Press project. Customers should be assured by the depth of experience and the credentials of the Team working on all aspects of the project, from sourcing, analysis, planning, install/commission/testing and activation to market. The press was assembled and put through a test run in Italy before being taken apart and shipped to New Zealand.

### Pushing the first billet

On 7th July, Bill Bradnams, Ron Holden and others visited the Te Rapa Mill in Hamilton to take a look at the new extrusion operation. The moment was a special one, for them. They witnessed an amazing extrusion line in action for the first time, after

years of planning and to see it come to fruition was absolutely fantastic.

Ron Holden stressed the "credit must go to Ian, Richard Bott and the Team on site, for what has been achieved. The result is impressive, over the last two years there has been significant planning, building demolition, building extensions and then leading on to the establishment of this extrusion line. The detail has been so important and must be so satisfying for the Team, it certainly is for the Directors and Shareholders, and to feel the positivity on the Hamilton site was just great".

The new business will have a wide national network of distributors and is a joining of strengths that increases manufacturing capabilities and accelerates the introduction of new technology to the New Zealand market.

Our product range is incredibly diverse. It includes architectural products, Aluminium windows and doors, truck bodies and ship components; right down to electronic components, medical products and lighting.

"We've basically brought together the best of both businesses in terms of people and products with the joint venture," Ron explains. "We now have a larger network of distributors and increased manufacturing capabilities to better supply and service our various markets with the products they need."

By the end of 2017 FANALCO Ltd will also have a warehousing and powder coating facility based in Christchurch to service the South Island, along with a new Vertical Paintline in Hamilton.

Ron sees exciting times ahead for FANALCO Ltd. "We've got the people, the manufacturing structure and the thinking to drive this business forward – in leaps and bounds." ■

\*Marketing Manager, NALCO