

Mutual benefit

Passaic Rubber-Flexible Steel relationship turns into purchase

By Rachel Wenger

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WAYNE, N.J.—What started as a competition between Passaic Rubber Co. and Flexible Steel Lacing Co. ended as a beneficial relationship for both firms.

Passaic Rubber late last year purchased Flexible Steel Lacing's Roughtop V-belt product line acquiring the tooling, processing, customer lists and equipment associated with its manufacture. The acquisition, for an undisclosed amount, sprung from Passaic's decision to introduce a similar product, said Passaic President J.D. Mathey.

"We were going to have to compete against them," he said. Instead, Flexible Steel Lacing agreed to sell the line, and Passaic began producing the rough top impressioned V-belts this year.

The belting is available in a variety of sizes and is used mostly for agriculture applications, including the harvesting of root vegetables like radishes, carrots and onions. Other food and wood industries also can utilize the belt line, Mathey said.

"We were already making belting for this niche market so a lot of the tooling was already in-house," he said. "But the product was not really in Flexible Steel Lacing's focus. It was more in ours."

Passaic concentrates its production on endless belting and wrapped sleeves, calendered rubber and coated fabrics, rubber-covered rollers and roof flashing.

The production of endless belting is about one-third of the company's business, with rubber roller and calendering each comprising another third, said Chief Operating Officer Jeff Leach.

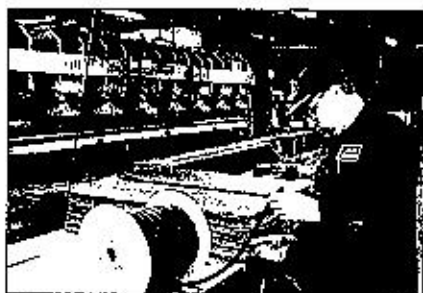
Passaic embraces niche areas and produces highly engineered belts, Leach said.

The company mainly produces its belting for use in packaging, wood, folding cardboard applications and to move bottles through an assembly line when they are being capped. In all these processes the belt needs to be flat and endless, and all belts must weigh exactly the same, Leach said.

"The majority of manufacturers out there have rolls of belting they just cut off or splice. Our business is manufacturing the belt from start to finish," Mathey said. "With our belts there is no seam or splicing. We are very much a custom or contract manufacturer."

After shifting Passaic's business mode internally to accommodate the additional production, Mathey said the firm might add to its staff of 50.

Currently Passaic has enough capacity at its 70,000-sq.-ft. facility for the additional production, but the future "depends on the contracts we procure," Mathey said.



Passaic Rubber Co.'s newly purchased Roughtop V-belt line from Downers Grove, Ill.-based Flexible Steel Lacing Co. is used mostly for agricultural applications. It comes in a variety of sizes.