

Q&A Sapa Fields Renewed Interest in U.S. Framebuilding

BY NICOLE FORMOSA

PORTLAND, OR—Sapa Profiles is the largest contract frame manufacturer in the United States and counts high-end niche brands like Turner Bikes, Titus Cycles and Moots among its clients.

The aluminum extrusion company based in Portland, Oregon, has a technology center in Sweden where the focus is on research development on aluminum alloys, processes and fabrication techniques.

Sapa got involved in frame production under the name Anodizing, Inc. because of its research and development into new high-strength aluminum alloys in 1990. The first production was for hardtail mountain bike frames. In 1999, 2000 and 2001 the company was building 80,000 frames per year split 50/50 between hardtail and full-suspension.

Since then, several major customers transferred their volume bike production to Asia and Sapa's production levels

dropped significantly.

After the decline, rather than chasing volume, Sapa switched its focus toward the lower-volume, premium-quality brands.

David Turner, owner of Turner Bikes, signed on with Sapa eight years ago after experiencing delays and quality issues with a California manufacturer.

Sapa manufactures Turner's complete line.

"I truly believe in the volumes they're trying to produce, there's no way we could beat Sapa. Sapa is in the manufacturing business, that's

all they do. They don't market stuff, they don't really design things," Turner said. "If there's a problem, they're even in the same time zone."

Sapa Profiles is a subsidiary of the Sapa Group corporation, a \$5 billion international industries group with 15,000 employees. Sapa hired Pilar Calderin last November to manage frame operations. She is responsible for planning, production and project management.



Pilar Calderin

Who are Sapa's other bike clients, and how many frames does Sapa manufacture every year?

Calderin: We do not disclose the customer names, brands, quantities or construction methods without our customers' written authorization. Regarding our overall production in the last few years, we have averaged about 20,000 to 25,000 frames per year.

Is your framebuilding growing, declining or on par with past years?

Calderin: This year we have done a record number of new model introductions. In 2007 and 2008 the rate of new development is double the level from the last 10 years. We are very excited about this trend.

Given the increasing challenges of manufacturing in China, are you seeing a renewed interest from clients?

Calderin: Absolutely. We have always been very proud of the advantages we can offer as a U.S. frame manufacturer. For a North American customer base we offer logistic advantages with shorter

transportation, just-in-time production and intellectual property rights respect. We are accustomed to fast-paced development; require smaller minimums, decreased language barrier and travel. With the recent challenges our customers have been facing, we think our place in the market is stronger than ever.

What other categories is Sapa involved in?

Calderin: We make products for a wide range of industries including transportation, building and construction, consumer durables, medical and renewable energy. Any advances in aluminum technology in one segment can normally be translated into another segment.

How much of Sapa Group's overall business is frame manufacturing?

Calderin: Our frame operation is a very small component of overall business. However, Sapa's ambition is to grow value-added business with aluminum solutions. We believe, with our worldwide aluminum capabilities, there is tremendous growth potential in the bike industry. **BRAIN**