

by Rebecca D'Amico

Meridian Automotive Constantly Evolving to Shape the Industry

RD: What is the nature of your business?

SM: Meridian Automotive Systems is basically a full service shop for automotive parts. Full service means we begin work with the OEM's at the clay model stage, then design and develop many of their systems in-house for the customers. We specialize in composites, certain interior applications—thermoplastics—and front and rear end modules—chrome plated or painted stamped steel and thermoplastics.

RD: How many employees do you have?

SM: In total Meridian employs over 5,600 people, of which over 2,200 are in the Composites Group.

RD: What is your company's background?

SM: The company name of Meridian Automotive Systems was just formed in 1998, after we acquired several smaller companies, which primarily included American Bumper and Manufacturing Company, American Rollform and Manufacturing Company, and Lescoa, an injected thermoplastics company. We decided to consolidate them under one name.

RD: How has it evolved from its beginnings?

SM: Since Meridian acquired the assets of Cambridge Industries in July of 2000, we expanded into the thermoset composites business. Today we service most of the automotive and heavy truck customers in North America. Also, some non-automotive customers like Club Car golf carts and Lasco bathware.

RD: How did you get started in the industry?

SM: Well, I've told this story a few times. I started unloading trucks as a summer job for ITT Automotive Electrical Products Division in South Georgia. By the time I turned 18, they had offered me a job as a quality control manager of a plant that employed approximately 200 people and made automotive wiring harnesses for Chrysler Corp. I had to make my first real decision, take the job and the nice salary, or go on to college. I took the job. Then changed to Alcoa a few years later. I spent the 1980s in Mexico, which was very exciting and a lot of growth. In 1991, my family and I moved to Europe, where I ran the Emerging Markets for Alcoa Fujikura Ltd. We loved living and working in Europe. I was fortunate to build new operations in 6 different countries and work in 14. This gave me a great insight into many different people and cultures. In December of 1997, we left Alcoa and moved back to San Antonio, Texas. Some of the other guys that started Meridian, like me, were from Alcoa as well, so it was natural that we would all continue working together. In March of 2000, I honestly did not know what SMC was. Now I have the responsibility of Meridian's Composites Group, which is a significant player in the industry. I take that responsibility very seriously.

RD: What obstacles does your company face today in the regulatory or technical arenas?

SM: Today is no different from the past—we continually are pressed for improvements. The difference is the farther down the path we go, the

more difficult the solutions. Most of the easy fixes are in place. As an example, many of the open molders are now challenged to move to close molding in this industry, due to the new emissions standards. Meridian is a very large consumer of styrene, and as most of your readers know, we are constantly monitoring and managing this material and its effects in our plants. Everyone is interested in a cleaner healthier environment and better technology, which delivers great products at world economics. This is a particular challenge for American manufacturers. In general, environmental regulations are going to force people in this industry and others to continuously investigate alternatives not previously thought feasible. The current high price of oil has also forced us to go back and reconsider a number of previously insignificant costs under today's new raw material pricing. In addition, our waste management costs continue to escalate and this makes some previously non-cost effective recycling activities more palatable for management.

RD: What are your marketing efforts?

SM: We view the market in three segments—marketing of the company, marketing our products/processes, and marketing our technology. Until now, we have relied heavily upon our engineering efforts and name in the industry, thus spent little efforts on marketing our company. We have focused on listening to our customer base and trying to understand their needs, then presenting them with engineered solutions. A good example is the composite box for the Honda Ridgeline. We are very proud of the fact that when Honda came to us, we were able to listen and contribute, confidentially of course, to the development and launch of that great new vehicle. Now, we are considering investigating other markets outside of automotive, and that may force us to change our product/process marketing strategy. As a matter of fact, Meridian will participate in this year's ACMA's COMPOSITES show in Columbus with our first booth. We are very excited about the potential that may bring.

RD: What development or research would you like to see happen to improve the industry?

SM: We are evolving constantly in an effort to keep up with our customers and the industry. Two big opportunities before us today are powder priming of exterior SMC panels for the automotive industry and more focus toward hybrid blends of composites, which will be lighter and stronger. Again, it all goes back to fuel cost and the environment. I would like, and quite frankly expect, to see some breakthroughs in these areas soon.

RD: Where do you see your business in five years?

SM: They've told me "SMC is the new technology" for the last 20 years. I actually believe that, now we are in a very serious market growth opportunity and the process technology and know-how have reached a point where the pendulum is swinging into a great era for composites. 

