

More than a metal warehouse—Behind the scenes at Pacesetter Steel

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Metal service centers are a vital part of the fabricating world, and their fortunes are closely aligned with their customers'. Here's a look at how one center fared during the Great Recession and where it's headed with its young CEO at the helm.



Aviva Leebow, CEO of Pacesetter Steel Service Inc.

In September 2014, Leebow's daughter, Aviva, 31, was named CEO. She recently participated in a Q&A with thefabricator.com to discuss the company's evolution—including improvements resulting from the addition of downtime clocks—how it dealt with the Great Recession, and what the future holds.

She also revealed her path to CEO. It wasn't always a given that she would take over the family business.

thefabricator.com: How many facilities does Pacesetter have? Where are they located, and when was each opened?

A. Leebow: Pacesetter World Headquarters, Atlanta, 1996; Atlanta Service Center, 1982; Chicago Service Center, 1989; Houston Service Center, 2004; nine strategic partnerships in cities throughout the U.S.

thefabricator.com: What materials/processing services do you offer your customers?

A. Leebow: Pacesetter processes and supplies cold-rolled, galvanized, galvanized, galvalume, aluminized, and stainless and prepainted cold-rolled galvanized and galvalume steel.

Services include coil slitting, cut-to-length, precision blanking, embossing, perforating, and CNC punching.

thefabricator.com: How have the downtime clocks improved your business?

A. Leebow: We have installed networkable downtime clocks, giving us live data and true activity-based costing.

We also are able to analyze and improve our changeover times in all product families, set goals and track labor absorption, man-load the operation using demand cycles, alert supervision and maintenance when predicted thresholds have been breached, and predict true costing models for closed-loop pricing and improvement.



Pacesetter Steel Service Inc. Corporate Headquarters, Kennesaw, Ga.

thefabricator.com: How did the recession affect your business?

A. Leebow: First, we felt the impact of reduced demand from our customers, almost all of whom are directly or indirectly construction-related.

Second, we keenly felt the impact on the value of our inventory. That being said, that year of extreme belt-tightening showed us how efficient we can be and that when the chips are down, the Pacesetter family pulls together, exemplifying the "Power of Teamwork."

thefabricator.com: Did you witness much consolidation among service centers during the recession?

A. Leebow: There was definitely some, but much more is needed. We believe that if we can take care of our customers, our suppliers, and our business, everything else will fall into place.

thefabricator.com: No production workers were laid off during the recession. How were you able to retain all of them at a time when many businesses were laying off workers?

A. Leebow: Every business has that list of creative ideas that they know would positively impact the business, but it's always so difficult to invest the time to implement them given the daily pressure of moving the business forward. Pacesetter prides itself on being creative, so we used that period for implementation and action and treated it as an investment in improving our business.

We utilized our dedicated team of associates to drive that improvement. We came out of the recession a stronger, more nimble organization.

thefabricator.com: What's the average tenure of your associates, and to what do you attribute the longevity of those who've been with the company for many years?

A. Leebow: Fourteen years. However, we have associates who have been with us a matter of days and several who have been with us for more than 30 years.

We attribute the longevity to a caring, sharing, and giving environment. If an associate needs assistance or advice from a teammate, they get it. If an associate needs any resources, they get it.

People do not come to work for Pacesetter; they come to be a part of the experience and to be part of the family. We only seek out people who are looking for a career and a second home.

We continuously share in entertaining events and celebrate our successes. Each year there is an annual family holiday party and an awards ceremony – The Pace Awards (Pacesetter's Oscars).

We have regular cookouts, potlucks, birthday and anniversary celebrations, sporting activities, and recognition events. We are the “Fun Zone” of steel distribution.

Pacesetter values the input of every associate, and associates are given much higher levels of responsibility much sooner than any would expect. With this comes personal responsibility, accountability, and a great sense of accomplishment.

thefabricator.com: Pacesetter is a family business, as are many metal fabricating businesses, and you were just named CEO. What was your path to joining the family business? Was there a long-standing succession plan?

A. Leebow: I joined the business in 2010 at 27 years old. It was not my intent at the time to succeed my father. I came to Pacesetter to engineer Pacesetter University so that education and training would have a long-term impact on our associates.

While working to understand the learning and education needs of our associates, I learned so much more about how Pacesetter could be a leading company in our industry. I was enthralled with the culture and the family atmosphere. I recognized that I had the ability to really make a difference and it was important to carry on my father's legacy.

After a few months, I was leading strategic planning and many other initiatives and teaming with associates to develop and implement those plans and initiatives. That's when we officially started succession planning, and I began to engage with every aspect of our business.

I love Pacesetter—the people, the culture, the family. We are a unique organization. I am enjoying expanding what my father created and look forward to all of the continued excitement to come.

thefabricator.com: What would you say is Pacesetter's competitive edge in a highly commoditized industry? Is there anything else you would like metal fabricators to know about the company?

We are focusing on the future in every way imaginable. Expect us to be heavily involved with nanotechnology. To be able to access the Internet through contact lenses. Blink and you will be online. Imagine the value that Pacesetter will be providing our customers and our suppliers!

How will this happen? Within the next 12 months Pacesetter will be forming a creative and innovative advisory board. Through our research and networking, we will clearly understand how science will shape human destiny and our daily lives.

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