



## Growing a Legacy

*Building on the Vision and Love for the Business*

Alloy Die Casting Company has a long tradition of manufacturing high quality, cast-aluminum products. When William Holms founded the company in 1946, aluminum casting was in its infancy. Spurred by the need for aircraft parts during World War II and later by post-war industrial expansion, Alloy Die Casting became a leading provider of aluminum parts, thriving for the next 50 years.

### AT THE FOREFRONT

"Demand for aluminum parts grew quickly after the War," said Holms, "There were not many aluminum casting companies in California at that time, and casting plants in the Midwest and East Coast cities primarily worked with iron. We were in the right place at the right time."

Douglas Aircraft was a large Alloy customer, and Alloy parts were also chosen by Vultee Aircraft, manufacturer of the famed BT-13 Valiant military trainer airplanes. As the country enjoyed peacetime expansion through the 1960s, other industries began shifting from cast iron and steel to aluminum parts. For example, automotive manufacturers found that using aluminum parts for functions that did not require extreme strength could reduce vehicle weight and improve fuel efficiency. To meet growing demand, Alloy moved to a new manufacturing facility in Orange County, California, and Holms bought adjacent property for future expansion.

### TIME FOR OTHER INTERESTS

By the mid 1990s, Holms had expanded Alloy's business significantly. Business was good and he had implemented a successful profit-sharing plan for his employees. At the same time, through discerning real estate investment over the years, he had also increased his real estate holdings. Now near 70 years of age, he wanted to spend more time with his investment interests.

"I wanted to find a buyer that was compatible with my company," he said, "and I had many employees who had been with me for 30 or more years. It was at this time that Sanders Industries approached me about purchasing the company."

Sanders Industries owned Rubbercraft®, a rubber molding company, and Rubbercraft and Alloy shared many of the same customers. Engineers and sales representatives from both companies often called on the same companies and purchasing agents. Rubbercraft was also geographically close, which would make it easier to manage both companies. Holms spoke with Sanders Industries' CEO on the telephone and was impressed with his vision and sincerity. It was clear that the two companies were compatible and that both parties were interested enough to arrange mutual plant visits.

"After a series of discussions, we worked out an arrangement and I sold him the company and its equipment," said Holms. "Sanders Industries also kept my employees and stepped into my shoes, remaining focused on the metal business with an eye open for expansion opportunities. I was fortunate to find a buyer that was serious and dedicated to making the business even more successful. It worked out extremely well."

### A NEW GROWTH TRAJECTORY

Since the acquisition, Alloy's sales have grown and the company's manufacturing capabilities have been expanded to include small-precision and conventional zinc die casting. Manufacturing processes have also been streamlined to support lean and rapid-flow manufacturing techniques. As customer procurement strategies have evolved, Alloy's focus has shifted to low-volume specialty manufacturing for castings that typically require complex machining, decorative and environmental finishes, or metal-to-rubber bonding for applications with sealing requirements.

"I've seen a lot of change in the past 50 years and always loved my work," said Holms. "I'm so very pleased that Sanders Industries has sustained—and so successfully built on—the legacy that I left."