

BLUFF CITY'S GROWTH KEEPS STEELWORKERS IN BUSINESS

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Roosevelt Liggins worked 20 years for the Laclede Steel Co. plant before it closed in the summer of 1998. But Liggins, 52, was able to remain in the steel industry after former Laclede manager Joe Higdon bought the plant and reopened it as part of Bluff City Steel LLC.

Higdon has seen steady growth in Bluff City, which processes steel rods for the bolt and fastener industry. He started the company in 1996 at another location and later bought Laclede's operations in late 1998.

"It's a good thing that Joe bought the plant, or I wouldn't be working," said Liggins, who was spraying down a steel coil as it was dipped into a 170-degree acid bath. Since beginning as a one-man operation in April 1996, Higdon has seen his company grow to 33 workers who process nearly 50,000 tons of steel a year. Last month, the company received a five-year tax freeze on a \$6.3 million expansion from the Memphis and Shelby County Industrial Development Board.

The expansion, which includes a new pickling line, where steel is cleaned with acids and then coated, will create about 50 jobs at Bluff City's 67,500-square-foot facility at 1195 Harbor on Presidents Island. The Harbor Avenue site was formerly owned by Laclede, which closed its Memphis operations in 1998 and laid off about 90 workers over several years leading up to the closing. Higdon said the expansion at Bluff City will increase total capacity from 50,000 tons a year to 160,000 tons annually.

The company ships its steel mostly to customers within a 250-mile radius of Memphis but has some customers as far away as Ohio, North Carolina and Florida. The processed wire, bars and rods are shipped to customers that make fasteners for the automotive, appliance, furniture and construction industries.

The company also has a 30,000-square-foot facility at 949 Channel and is in the process of buying another 60,000-square-foot facility at 1175 Harbor, which also was a former Laclede factory.

Many of the laid off Laclede workers later went to work for Birmingham Steel, which opened a \$200 million steel mill in Memphis in 1997, but that plant has since closed. "Ninety five percent of our workers are former Laclede or Birmingham Steel employees," said Higdon. "If I can still get them, I would prefer to have people with experience."

Higdon said the new pickling line should be completed by September. The company will hire the majority of its new workers this fall, he said.