

Phoenix Syndrome: What Is Ennis Products?

By Traci Matt
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Last year the *Exchange* reported the demise of Texas-based Ennis Automotive after 73 years of growth to one of the highest-volume rewinders in the industry. We were fascinated to learn that like the mythological phoenix, another like-named business, Ennis Products, has risen from the ashes. President Paul Robie graciously consented to tell us his story and share his never-say-die attitude regarding rebuilding.

ERE: Please fill us in on your business history, including how you are affiliated with Ennis Automotive.

Robie: I was the engineering manager and the vice president of manufacturing



Ennis Products owner Paul Robie: You can't keep a good man down!



Enrique Olvera rebuilds a 40MT starter.

A LIFETIME OF REBUILDING



See
"Phoenix
Syndrome..."
this page.

Father and son rise again as the newly formed Ennis Products and celebrate their first anniversary. Sharing cake are (L to R) Eusebia Pinzana, Judith Sosa, Martha Moncada, Mike Robie and Enrique Olvera.

when Ennis Automotive shut down. I was with Ennis Automotive for 10 years. When the decision was made to shut down Ennis Automotive, I decided to try and start my own business. Ennis Automotive shut down in the middle of May of 2005 and I started in my garage in Ennis, Texas the next week. We started with a few customers making specialty stators. I spent a month looking for a small building until I found the building we are currently located at in Corsicana, Texas where we have just celebrated our one year anniversary.

I have been around the rebuilding industry my entire life. My father, Mike Robie, was the plant manager of the Ft. Worth, Texas facility for Champion Parts Rebuilders. I spent the summers in high school and college rebuilding water pumps, alternators, and starters. I even worked one summer rebuilding Nippondenso a/c compressors for Four Seasons.

ERE: What inspired you to start up when the rebuilding industry is shrinking?

Robie: The rebuilding industry is more challenging today than it has ever been. We will never see the volume of units that were produced in years past or the 80 percent of the sales across 50 part numbers. With extended warranties and improved OE engineering, components are lasting much longer than they did in years past. An alternator or starter can easily last for 200,000 miles. Also, the OE manufacturers are changing models more frequently. For instance, a 3510 starter covers almost 100 applications and today several import units may cover one application.

This is causing big problems with retailers. It is impossible for them to have everything on the shelf at all times. Customers will have to wait at least one day for their part to be shipped into the retail store location. This delay opens the door for the rebuilder. The odds are that the rebuilder will not have the unit on the shelf, but they can order the parts and get it to the customer in the same amount of time the retailer can, for the same price or less.

I speak with large and small rebuilders all over the country. There are two attitudes out there today. You have rebuilders who are refusing to change. They only want to rebuild the common domestic units. They are very bitter and defeated and they will probably not be in business much longer.

The second are the rebuilders that look for the industrial and uncommon



Eusebia Pinzana winds an R&R stator.

units. They are upbeat and running profitable businesses. One thing I know for sure, things never stay the same; you always need to be looking for the niches in the market. The market used to change every 10 years, now it changes almost daily.

I expect the rebuilders that are still in business today and look for the niche markets will be profitable for many years to come as long as they manufacture a quality product and deliver excellent customer service.

ERE: Please describe your business for our readers.

Robie: Ennis Products winds R&R, specialty, and high amp stators, rebuilds starters and alternators, and distributes stators, rotors, armatures, Rand rectifiers and regulators, bearings, bushings, starter drives, solenoids, field coils, aluminum frames, new starters and alternators, and remanufactured a/c compressors.

We currently have seven employees and our business has been growing steadily over the past year. Our biggest challenge has been to make rebuilders aware that we are here ready to serve them.

We have been trying to monitor our growth to not grow too fast. We want to be a customer focused company and growing too fast causes us to miss due dates and not service our customers properly. I will be the first to admit that we have had growing pains that caused us to not perform to our expectations. However, we are working very hard at improving our service every day.

ERE: Can you tell us how the recent huge price jump at WAI will affect you?

Robie: As far as the large price increase from WAI, it is about time! Copper was 70 cents per pound two and a half years ago. It was above \$4 per pound for a few days in May. I have been watching my prices go up almost every month over the last year and the components from overseas have remained the same. I could not understand how they could have been absorbing these price increases in the raw materials.

In my opinion, copper prices are inflated to unnatural highs. However, I do not expect to see them at 70 cents per pound again. With the growth in Asia, I

would expect copper prices to level off around \$2.50 per pound.

I know most rebuilders will not like the price increases, but they need to look at the bright side. The new alternator and starter prices are going up also. This will open the door to rebuild the unit again instead of buying new. Rebuilders will just need to do a better job rebuilding and salvaging components.

ERE: Where do you see your company, and the industry as a whole, in five years?

Robie: One trend that I am seeing in our industry that worries me a great deal is the selling of cores for scrap metals. I understand that it is great to have that scrap money in your hand. However, the cores are being lost forever. Rewinders such as Ennis Products will not have this core to rewind and the rebuilder will be forced to purchase a new component instead of a quality rewound component.

Also, the OE steel is being scrapped and the overseas steel is coming in to take its place. I am sure everyone is aware that the overseas steel does not perform the same as OE steel. Also, I can tell you that you lose 1 to 2 amps of performance when a rewinder processes a core to rewind. What is going to happen when the rewinder only has overseas steel to rewind? Will we see a loss of 5 to 10 amps? What will happen to the high performance alternators that rebuilders are manufacturing now? I know you will not get the low rpm performance you would like to see.

In five years, I hope Ennis Products is one of the first suppliers rebuilders think of for components.

Over the next 5 years, we will see the rebuilders that have not adapted their business to the changing marketplace disappear. Rebuilders that build high quality products and develop a strong customer service program will have higher sales levels than today, due to reduced competition and higher prices from overseas.

For more information about Ennis Products, please visit their Web site at www.ennisproducts.com.