

Danish 'Green' Manufacturer Plans Milwaukee Plant

Thomas Content, Associated Press Writer

NEW BERLIN, Wis. (AP) — A Danish firm's expansion is giving Wisconsin another player in the manufacturing sector geared toward alternative energy.

Avanti Wind has been in operation here for several years, making service lifts used by technicians who inspect and repair wind turbines and need to scale the turbines' tall towers.

Now the company has moved to expand here by moving production of aluminum ladders to Wisconsin from China and Germany, said Kent Pedersen, the company's U.S. general manager.

The pace of wind development across the country has slowed considerably this year — with the second quarter installations of wind power down 71 percent amid the slow economy and developers having a hard time getting financing.

"But we have done quite well in expanding our customer base in North America, and we've continued to grow in 2010 compared to 2009 and we expect that to continue next year," said Pedersen, whose privately held parent company, based near Copenhagen, has been in the ladder business in Denmark for more than 100 years.

The Avanti local expansion is a small example — creating just a few jobs — of what local economic development officials hope will be a growth sector for Wisconsin, among the biggest manufacturing states in the country.

"It's a market we look at and we see growth, we see jobs and we see capital investment," said Jim Paetsch, business development specialist with the Milwaukee 7 regional economic development group, during the Wisconsin Solar Decade conference.

"We've got a lot of companies here that are set up in way such that their traditional strengths service those markets really well," Paetsch said. "And in a really bad economy that is one of the sectors that's growing."

The M7 had nothing to do with Avanti's expansion, but it was actively involved in recruiting Ingeteam, a Spanish maker of generators and inverters for wind turbines as well as inverters for solar power, to build its factory in Milwaukee.

Ingeteam's factory in the Menomonee Valley is under construction and the company expects to open for business in April and eventually put 275 people to work, said Aitor Sotes, Ingeteam's U.S. chief executive, during a presentation at the Solar Decade conference. Its factory will produce components for both the wind and solar

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markets, he added.

The region's wealth of experience in power electronics, motors and electrical components serves it well to compete for companies looking to base their U.S. operations here to serve the wind and solar power markets, Paetsch said. The M7 has other prospects considering relocating here, he said.

The concentration of energy firms and engineering schools has led the Wisconsin Energy Research Consortium to announce plans to make Wisconsin a "center of excellence" for energy, power and controls and position the state for federal research and development funding if it can win designation as a Department of Energy "energy innovation hub."

Shipping costs and damage to ladders shipped from overseas led the company to invest in U.S. production of ladders.

It's not the first alternative energy company that's turning to the U.S. market and shifting production here from China.

"We moved production to Milwaukee this year from Shanghai," said Jay Frankhouser, director of emerging technologies at C&D Technologies, which operates a battery plant in Milwaukee's Riverwest neighborhood. The company's China plant is continuing to serve the growing alternative energy market in that country, but the company needed to have more domestic manufacturing to enable it to qualify for "made-in-America" requirements from customers, he said.

Avanti employs 22 people at its 52,000-square-foot factory on Towne Drive in a New Berlin industrial park. The company expects to run one or two shifts and have the capability of making ladders for 2,000 to 3,000 wind towers per year, Pedersen said.

Avanti services wind turbines and assists wind power developers with accident training for service technicians who operate high on the towers. Its core business in the United States has been service lifts, which are metal cages that serve as elevators to help technicians climb up towers that rise hundreds of feet from the ground.

The U.S. renewable energy market is powered by standards that have been adopted in Wisconsin and 29 other states, as well as the fact that there aren't any fuel costs attached to renewable resources linked to wind and sun power.

In a bid to attract more businesses to participate in the wind power supply chain, the Wisconsin Wind Works alliance and We Energies will sponsor a symposium Oct. 13 in Milwaukee aimed to provide practical advice for businesses in the manufacturing and servicing side of the wind power business, said Finian Flood of Wisconsin Wind Works.

Representatives of Ingeteam and Vestas will be on hand to discuss their supply-chain needs, as will Wisconsin companies that have struggled and succeeded in allying themselves with bigger firms in the wind power supply chain, Flood said.

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The Oct. 13 symposium is a follow-up to a supply chain workshop held last year in Appleton attended by more than 600 people, he said.

Some companies became frustrated by the challenge of aligning with European companies that are expanding in the United States, as well as the stop-and-start nature of the wind power industry's expansion. But Flood said there are recent indicators of an uptick for the wind business.

"It looks like it's returning," he said. "Just in the last three to five weeks, we've seen some really good signs."

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