

O'Neal Industries Turns 100

GROWTH AND CHANGE HAVE BEEN CONTINUOUS FOR O'NEAL INDUSTRIES, A TREND EXPECTED TO CONTINUE FOR THIS LARGE PRIVATE COMPANY.

by BILL GERDES / photos by ART MERIPOL

at the Metals Service Center Institute's 2020 annual meeting, its chairman of the board shared his outlook for the industry and said more metal will be needed to modernize and revitalize infrastructure, machinery and equipment.

That prediction bodes well for Birmingham's O'Neal Industries, which celebrates its 100th year of continuous operation in 2021.

O'Neal Industries (ONI) is one of the largest, oldest and most diversified U.S. companies serving the worldwide metals marketplace. ONI companies provide products and services across the metals industry, ranging from carbon and stainless steel, aluminum and specialty alloy products to complex manufactured components and tubing.

The company reported \$2.4 billion in sales in 2019 and was ranked 171 on the list of America's largest private companies. It takes the fifth spot on the Alabama list.

O'Neal Industries began with founder Kirkman O'Neal in 1921 as O'Neal Steel. O'Neal Industries was formed in 2008 and includes several closely related companies, all engaged in the metals industry. The companies — G&L Tube, Leeco Steel, Locate Supplies, O'Neal Manufacturing Services, O'Neal Steel, Stainless Tubular Products, TW Metals and United Performance Metals — have more than 70 specialized facilities throughout North America, Europe and Asia with about 3,000 employees.

At the helm is Craft O'Neal, the company's third-generation chairman and chief executive officer.

"I am proud we have been able to continue in business for so long and not only survive but thrive," O'Neal says. "It is a



Craft O'Neal

testament to the leadership and quality of the people we have been so blessed to have worked at our company and the support we have had from our shareholders, customers, suppliers and communities. It has been an amazing journey and we plan for it to continue.”

The company has had inquiries about whether it would have an interest in selling or going public but it has steadfastly remained one of the nation’s largest family-owned companies.

O’Neal, 59, began his career at O’Neal Steel as a member of the Birmingham District’s sales department and has held positions in sales and management at other locations, including senior vice president of the company’s southern region and senior vice president of sales. He returned to Birmingham as district manager and succeeded his father, Emmet O’Neal, as chairman and chief executive officer in 2004. He says his father and grandfather were good examples for him.

“Much of what I learned from my father and grandfather was through observation and the examples they set for me of high integrity and care for others, a passion for the business and hard work. They were growth-minded and believed the company must grow to succeed. They were very goal-oriented and instilled that in me.”

O’Neal graduated from Birmingham-Southern College in 1984 with a bachelor’s degree in business and economics.

“BSC’s liberal arts education was of great value to me and prepared me well for my career and life,” he says. “I majored in business and economics, and the professors were excellent. I had the opportunity to go to Japan for the January term to study Japanese business and culture, and it was one of the greatest experiences of my life.”

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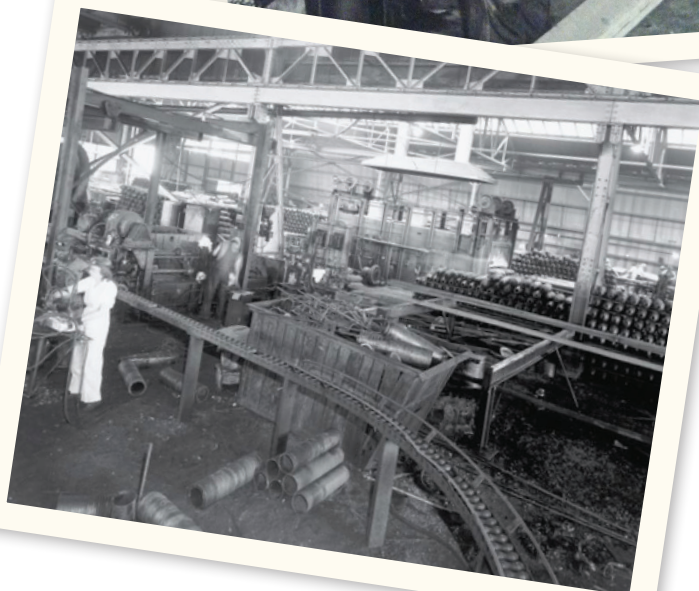
Kirkman and Emmet O’Neal and their team check out the upper deck at Legion Field.

A recent study by consulting firm PricewaterhouseCooper says the COVID-19 pandemic and its disruption to industrial production has started to have an impact on metals production and says the automotive industry and the construction industry may experience a slowdown, which could contribute to a reduced demand for metal products.

“The virus has impacted everyone in some way,” O’Neal says. “Our companies were deemed essential businesses, which allowed us to keep our facilities running. We have protocols in place for our operations employees to work safely. Nearly all office team members have worked from home during COVID and some have recently begun to safely transition back to our



ABOVE: O'Neal Industries traces its roots to the 1921 founding of Southern Steel Works. Founder Kirkman O'Neal is second from left. BELOW: Steel fabricating in progress. BOTTOM: During the war, O'Neal built bombs for the war effort.



offices, depending on the locations. While we have had some COVID cases, most of the disruption for us has been issues at our suppliers and customers, with some of them having to close for weeks at a time due to the virus or because of lack of demand. Our overseas operations have been impacted by COVID as well, similar to the U.S.”

O’Neal says that like other industries, the metal services industry is being challenged by the proliferation of new technology.

“Much of the change in our industry relates to advancements in technology,” he says. “Everyone is looking for opportunities to utilize technology to operate more productively and efficiently and better service customers.

“Much of the consolidation at the mill level was already done and the service center industry in which we operate remains highly fragmented. We have seen significant consolidation within certain sectors of our customer base and expect that to continue. Our manufacturing customers have continued to move more to just design and assembly and look to our industry to provide the component parts and welded subassemblies they need.

“Like most industries, ours has struggled this year. Fortunately, we aren’t seeing bankruptcies and expect the metals industry to rebound as we emerge from this recession.”

Members of the O’Neal family have been business and political leaders in Alabama for more than a century. Edward O’Neal was the state’s 26th governor, and his son Emmet was the state’s 34th governor. Two years ago Craft O’Neal announced a \$30 million donation to the University of Alabama at Birmingham’s Comprehensive Cancer Center, renamed the O’Neal Comprehensive Cancer Center at UAB, and he is active in a number of civic and business organizations. O’Neal was recently named winner of the Jerry Noyce Executive Health Champion Award for his passion for the health and well-being of company employees and the success of LIVESMART, his company’s award-winning wellness program.

O’Neal says he arises about 5:45 most mornings to exercise and catch the morning news before heading to the office on Birmingham’s Highland Avenue.

“We have a lot of moving parts,” he says, “so there is never a shortage of things to do. I enjoy getting out of the office to our facilities and hope to do that again soon.”

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