

Meramec Electrical Products Announces Second Major Facility Expansion, New Product Lines

Cuba, Missouri (August 26, 2010)

As Missouri Governor Jay Nixon stood behind the podium at Meramec Electrical Products' 52,000 sq. ft. facility, he took a moment to reflect on the year Andrew Sanazaro Sr. began the company in earnest; 1969. He spoke about the nature of the American spirit, a combination of underdog grit so aptly personified by his reference to the 1969 New York Mets and the boundless determination encapsulated when Neil Armstrong set foot on the moon that same year. "It was a sign of the superiority of American technology and manufacturing," he said, describing the historic lunar landing. "And it's still true today. We have to maintain our superiority in the technology and manufacturing fields, just as you all have done here at Meramec Electrical Products."

Following a tour of the campus alongside President and CEO Nick Sanazaro, the Governor was pleased to announce the award of \$197,355 in Enhanced Enterprise Zone (EEZ) tax credits, which will ultimately help facilitate a \$5 million capital investment and plant expansion that will create 37 new jobs and make the industry-leading company one of the most efficient and eco-friendly manufacturing operations in the country.

"The expansion of a quality company like Meramec Electrical Products and the creation of 37 new manufacturing jobs will provide a boost to the economy of Cuba (MO)," Governor Nixon said. "I am pleased this state economic incentive will help make this project a reality. The increased investment by the company into the area economy is another indication that Missouri's ongoing economic rebound is widespread, happening in communities of every size."

Meramec will add an additional 15,000 sq. ft. of factory space and begin work on a new series of instrument transformers targeting wind farms, smart grid technologies, and power generation. Despite the increase in size, the company will also reduce its use of electricity by establishing a means of recycling the energy used in the manufacturing process to power equipment and heat the facilities.

"The state tax incentives will assist us in our continuing development" Nick Sanazaro explained, "allowing us to streamline our manufacturing processes by removing non-value added costs, improving overall efficiency and positioning ourselves as a competitor in the world market."

As a part of the expansion, Meramec is introducing a new innovative design of torodial core winding machines. These custom built machines will accentuate the company's already high-quality core, in addition to introducing industry leading safety protocols and a level of automation to expedite time consuming steps and minimize the potential for human error.

Additionally, the company is unveiling a new cutting-edge annealing process with a line of stress relieving furnaces that will cut power consumption in half, reduce cycle times, and feature an energy management system that will regulate oven firings and ration power to maximize efficiency. This system also monitors peak power demands and reduces use accordingly in order to minimize Meramec's presence on the local grid. The extreme temperatures generated during the de-stressing process will then be recycled to heat the 67,000sq. ft. manufacturing plant.

Keeping with their environmentally friendly initiatives, Meramec Electrical also announced that by January 1st they would be a virtually paperless organization. This is made possible by the fact that the company designed custom software to handle every facet of the business. Sanazaro added, “By designing our own [software], we can tailor the system to fit our processes, instead of changing how we do things to conform to off- the-shelf industry standard programs.”

All of these innovations will allow the ISO 9001:2008 certified company to develop new product lines that will meet the ever-increasing challenge their customers face in the 21st century. Board mounted and encapsulated generator current transformers (CT), externally mounted bushing CTs, and a series of station post design CTs with a range of 0.6kV to 34.5kV have already been announced, and more announcements are expected to come in the near future.

Governor Nixon closed his address by praising the assembly of Meramec Electrical employees and Board of Directors. “Continue to take pride in your work and keep up the good work that you’re doing.”

Considering the developments ahead, Meramec Electrical Products plans to do just that.

External Links:

Governor Nixon’s Official Site

http://governor.mo.gov/newsroom/2010/Expansion_of_Meramec_Electrical_Products

St. Louis Business Journal

<http://www.bizjournals.com/stlouis/stories/2010/08/23/daily53.html>

Three Rivers Publishing

http://threeriverspublishing.com/TRP/index.php?option=com_content&view=article&id=6424:governor-visits-meramec-electrical&catid=27&Itemid=200