

Get to know the new leader of ITW Building Components Group.

ifteen years ago, Jim James went to work for a company called Illinois Tool Works (ITW). No one would have guessed back then that two of the component industry's largest manufacturing and software suppliers would one day be joined as part of ITW. Soon after Truswal Systems Corporation and Alpine Engineered Products came together in 2006, James was appointed head of the new ITW Building Components Group, a position he had unknowingly trained for his entire career. A fresh face to the industry, he has brought an equally fresh perspective to ITW.

For working at a large-scale international company, James' management style is surprisingly hands-on because he knows it works. "We can't help people in this industry if we don't get to know their businesses," he insists. Here, James talks about what will come of Truswal Systems and Alpine Engineered Products and why he feels so strongly about instigating changes that he believes will send ripples across all trades in the construction supply chain.

Here's more of my interview with Jim James.

SBC: Tell me about your background and how you came to ITW. After getting a degree, I started my career in engineering. I have worked in several different industries including metal fabrication, aerospace, construction adhesives and now component manufacturing. Previous positions include sales and various management jobs at production, sales, project and executive levels.

I've been with ITW for approximately 15 years now. My last position with ITW was in construction adhesives (drywall/subfloor adhesives). Almost two years ago, I accepted the position of Group President of ITW Building Components Group. My duties include worldwide management and coordination of the group's business units in the U.S., Canada, the United Kingdom, Asia, Australia, and South Africa.

SBC: A lot has changed in the past few years in the building components industry. What attracted ITW to the industry and where do you see us headed? The building components industry has come a long way since 1952. Yet there are still tremendous opportunities for those that are ready to take the next step and help the industry progress. ITW is leading the way by making changes that will create more overall value. We see the component industry as the driver of structural framing change.

SBC: What have the Truswal and Alpine acquisitions brought to ITW? Defragmenting the very fragmented construction industry is what attracted ITW to make a substantial investment in Truswal and Alpine. The investment will also strengthen the position of all ITW's construction products.

I will say that when we acquired Alpine our intention was to have it remain decentralized. With the steep decline in the market, we had to change our approach. While ITW doesn't usually roll-up different company operations, we combined the Truswal and Alpine manufacturing plants and sales forces to help cut costs and keep service levels high.

That said, we don't see any advantage in forcing customers to switch software brands.

Instead our programmers are cooperating, sharing the unique strengths of each brand to provide every one of our users more robust and effective software tools.

SBC: You talked about the industry being fragmented. What segments do you see coming together in near future? Everything and everyone within the construction industry can be better connected-engineers, component manufacturers, permitting authorities and so on-to eliminate waste as well as save time and money. The entire process is begging to be streamlined.

SBC: So who do you see coming together as the next step? For the whole industry to work together as one team we have to start with the design process. We see the creation of a robust 3D model that everyone can access as the critical first step. Once the 3D model is created, we can use it in every phase such as adding windows, doors, etc.integrating the complete process.

We are not proposing a new format; we are talking about making sure everyone is speaking a common language. We believe that when we are all talking the same language, we can eliminate waste in the process. That is why we bought Ameri-CAD and hsbCAD; both have products built on AutoCAD technology.

SBC: What is the biggest obstacle to making these changes? By far, getting people to look at things differently is the biggest challenge. Change will be necessary for all of us to grow as an industry. I am confident that ITW has the talent and resources to speed the transition and limit any pain.

Our long-term outlook is very positive. Even with many manufacturers currently experiencing less demand, over the next ten years most industry analysts are predicting that starts will be strong. As part of a \$16 billion company, ITW is fortunate to have the wherewithal to endure the current downturn. We look forward to working to bring about the positive change that will position our industry to be even stronger.

SBC: How will this help the produc-

tion side of our business? You saw it at this year's BCMC-from automated equipment to production information systems, data is driving everything in the office and the plant. We think the key is a common language that helps eliminate the possibility for slow-downs and errors.

SBC: So how will engineering be a

part of the solution? Engineering has always been and will continue to be the cornerstone of modern construction. It just makes sense to optimize everything in a building. To do that you need to understand forces down to the most finite detail; even how a single plate tooth will affect a truss. That is our specialty. Looking at it from that standpoint, it also makes sense to optimize the engineering process of home building.

I really believe the component industry is best suited to streamline the process and have the biggest impact in this market. That's because we're the only segment of the industry that touches all other trades. You can be sure that ITW will continue to create tools to help component manufacturers provide more value. Our focus is helping to grow the total market and bring more of the process into component manufacturers' hands.

SBC: How does the Building Components Group of a big company like ITW (with 750 businesses located in 49 countries) stay focused on serving the needs of manufacturers? The management team from the Building Components Group meets three times a year for indepth planning sessions and our CEO, David Speer, attends all of them. When we need capital for a new acquisition, he understands our business and our direction which helps us to get what we need and move quickly. Listening to our customers is key.

SBC: When you think about your future, where do ITW and the components industry fit? I entered this industry at the perfect time to help with change. I see a lot of opportunity for

## at a glance

- □ ITW formed its Building Components Group (BCG) following the 2006 acquisitions of Truswal and Alpine.
- □ Jim James heads the BCG, and brings a fresh perspective to the company.
- □ ITW believes the building components industry is poised to streamline parts of the construction process.



Alpine and Truswal customers to grow as we streamline construction processes. I am looking forward to being a part of the industry as we take on new and challenging issues.

SBC: It sounds like a very exciting time to be involved in the industry. This is an exciting time for everyone. When you break down the top builders in the U.S., small builders still make up the majority of the new construction going on in the country. Many small to mid-size component manufacturers are those builders' best suppliers. We can't lose sight of the importance of focusing on the future, because the market will rebound.

One big advantage of ITW coming into this industry is that we are the new kid. We're fresh and willing to invest in new things that will help this industry. We are coming at this in a nontraditional approach. We think it's an exciting time and a real opportunity for our customers. SBC



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