



Made in N.J. -- still

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By **JENNIFER H. CUNNINGHAM**
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TOTOWA – Manufacturing is just about dead in New Jersey, right?

Not at the Wayne Machine and Die Co.

While everyone from silk makers to cracker packers may have fled to low-wage Mexico or China, company president Joseph Scuralli has no plans to abandon the Garden State.

The firm is one of nearly 1,000 that have kept their manufacturing businesses in the area, despite the lure of cheap labor abroad.

And it doesn't bother him that the state Department of Labor predicts that by 2012, Passaic County will have lost almost 5,000 of its remaining 24,000 manufacturing jobs.

"There's a competitive advantage for making things overseas, but not for everything," Scuralli said from his company's plant on Furler Street. "We feel that our competitive advantage is here. We live here and our employees have been with us for many years."

The company's 10 machinists make between \$16 and \$22 per hour, including health benefits, according to Scuralli. They make custom-built machines for the production of items like plastic bags, plastic lawn furniture and even telephones.

For example, Scuralli said, the company recently sold a plastic film-making machine to Virginia Tech University, which will be used in research and development.

Scuralli, 42, said many of his workers are highly skilled and could never be replaced by unskilled foreign workers, no matter how cheap the labor.

"It all comes down to productivity," he said. "You can have cheap labor, but if the workers don't know what they're doing, it'll end up costing you more money."

Since he was 13-years-old, Scuralli has worked at Wayne Machine and Die, which was founded in 1958 by his father. In 1965, the company moved its headquarters from Passaic to Totowa, where it has been ever since.

Today, with the help of his brother-in-law, Gary Lischak, the technical manager, Scuralli oversees a staff of 20, and although the company has clients in Asia and Europe, the majority of customers are on the East Coast.

Susan Feinberg, professor of international business at Rutgers University, said that most manufacturing firms

in Passaic County are "boutique" businesses, like Wayne Machine and Die, that create specialized goods and services for a local or regional market. Mostly, such manufacturers lack access to the global market that bigger corporations have.

"It's just too expensive to do it further away from where the product is consumed," she said from her Washington, D.C., home. The difference in labor costs doesn't justify outsourcing for such businesses, she said.

Deborah Hoffman, Passaic County director of economic development, said that many of the county's 905 manufacturers are also niche businesses bucking the outsourcing trend. The approximately 24,000 people who work in manufacturing here are mostly in food processing, pharmaceuticals and chemicals, she said. Manufacturing firms are located in every county municipality except North Haledon, but mostly in Paterson, Clifton, Passaic and Totowa, she said.

On the production floor at Wayne Machine and Die this week, two men in rubber gloves put the finishing touches on a machine that mixes melted plastic with chemicals to strengthen it. Meanwhile, a man in a white protective suit sprayed finished machines with bright yellow paint – the company's trademark color.

"Just because you can do it cheaper doesn't make it better," Scuralli said. "Besides, we don't want to spend all our time in China."

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