



## *Steel Master LLC*

### **Made of Steel**

May 2011

Many entrepreneurs will attest that while the road to success may follow many different journeys, there's one thing that is always required...perseverance. No one understands this perhaps more than Gus Andreopoulos, co-owner of Steel Master LLC. The once thriving steel parts manufacturer was so hard hit by the recession that they were forced to close their doors for a short period of time during 2009. But fighting back through hard work and dedication, the business is back from the brink and growing at sustainable rate.

Andreopoulos came to Steel Master in 2007 after working with the business for several years with another company. A former machine builder, Andreopoulos took over the vice-president of operations position for the company and was later offered the opportunity to become a partner in the business in 2008. Steel Master specializes in the designing and manufacturing a variety of automation, assembly and verification equipment for the industrial sectors such as automotive, heavy off-road and warehousing. Their knowledge and expertise in the field helped them acquire some of the largest customers in the sector.

However, in 2009, the business began to struggle. Due to the downturn, two of the largest customers cancelled large orders. They waited eight months to receive payments for orders they had already produced. Andreopoulos worked with their suppliers, who were also struggling, on payment terms. Each month was harder than the next. Then, their bank decided to pull their line-of-credit and the business was shut-down for 6 weeks. But Gus did not give up. He renegotiated with his old business partners on new terms that would give him and a new investor control of the business. He gathered up some of the employees who had confidence in their abilities and in January of 2010, opened the doors to the new business.

"We were very lean and I did everything I could in the business," recalls Andreopoulos. Among those tasks included calling the Southeast Michigan office of the MI-SBTDC at the Oakland County Business Center. Andreopoulos faced the difficult task of restoring their relationships with customers, suppliers and securing new financing for projects and needed advice. Lola Are, Director of the SBTDC Oakland County office, suggested Andreopoulos enroll in the 10-week FastTrac Venture Forward program. The class helps business owners looking for ways to grow their



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business. “FastTrac has been very beneficial,” responded Andreopoulos who is still currently enrolled in the program.

“We also needed financing to grow the business back to its old revenue levels,” said Andreopoulos. Andreopoulos was directed to Chris Olzem, Finance and Strategy Specialist with the MI-SBTDC. He helped Andreopoulos look over his financial statements and organize the information before going to the bank. His hard-work paid off, took his new financial plans to a new bank that approved Steel Master for a \$500,000 line-of-credit.

“Chris is a tremendous asset and a wealth of information to us,” exclaimed Andreopoulos. “He is a big reason while we were able to secure our current line-of-credit. He helps you see things from the perspective of our bank. He helped me realize that you should focus on presenting what makes your business great.” But their work did not stop there as Olzem also brought in a specialist from the Growth Group team to identify where Steel Master had opportunities for growth. “They really helped us unite as a company,” acknowledged Andreopoulos.

Through their determination and hard-work, Steel Master achieved a remarkable turnaround in 2010. They restored many of their client relationships and established a revenue stream for the year. “We have a great group of employees who are dedicated and it’s really because of them that we were able to get to this point. I also want to thank all of our suppliers for their help and support.” Sales for 2011 have already exceeded expectations from last year, but Andreopoulos is setting goals for growth that are sustainable. “Our goal is to return to profitability, but we want a gradual growth and add a few employees,” recognized Andreopoulos. “We want to start to diversify more into different markets as we have in the past. But we still have a lot of hard work ahead of us.”

Having gone through the process of rebuilding the business, Andreopoulos provides some advice for entrepreneurs. “You should keep sight on the goals of your business. Those goals will get you through hard times. There were times in 2010, when I thought „Why did I do this?” But now, we are doing well and I am pleased with the decision.”

Learn more about [Steel Master](#)



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