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EXTRUSION

Service Center Metals Acquired by Riverstone Group

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Service Center Metals, an aluminum extruder based in Prince George, Virginia, was acquired by The Riverstone Group through its investment entity SCM Industries, LLC in Richmond, Virginia.

“We believe SCM Industries is the ideal partner for Service Center Metals and the fact they’re local makes this partnership all the more special,” said Scott Kelley, president and CEO of Service Center Metals. “For both our employees and customers, remaining independent and keeping our “Can Do” company culture intact was an absolute requirement. With SCM Industries, we know that will happen. We’re also very excited that SCM Industries is clearly committed to help us aggressively pursue our growth plans, several of which

are already underway.”

Service Center Metals was founded in 2002 by Scott Kelley, Randy Weis and Chip Dollins — three former Reynolds Metals executives — with the aim of exclusively supplying service centers with high quality aluminum extrusions. In addition to its extrusion facility, the company operates a state-of-the-art casting plant. The greenfield company currently has 247 employees with annual revenue in excess of \$225,000,000.

“We are pleased to have the opportunity to invest in one of the area’s outstanding companies,” stated a partner of SCM Industries. “The Service Center Metals management team and employees exemplify true entrepreneurial success. We look forward to assisting them as they expand capacity and strengthen their leadership position in the aluminum extrusion market.”

In December 2016, the company completed a \$25 million investment for new horizontal casting operations in a 190,000 sq ft building addition (“SCM Expands Billet Supply to North America: World’s Largest Horizontal Casting Facility,” *Light Metal Age*, [April 2017](#)). The new compact remelt-type production equipment supplied by Hertwich Engineering GmbH consisted of two casting lines capable of producing billet diameters ranging from 9-14 inches. The project brought the total capacity of the expanded facility to 45,000 tpy and making it the largest horizontal billet casting plant in the world.

In January 2018, the *Richmond Times-Dispatch* [reported](#) that Service Center Metals was planing to invest \$45.2 million to expand its manufacturing operations, including the installation of a third extrusion press. The project is supported by the state government with a \$200,000 grant from its Opportunity Fund and a \$400,000 performance-based grant from the Virginia Investment Partnership program.

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