

**INSIDE: BALING  
EQUIPMENT FOCUS**

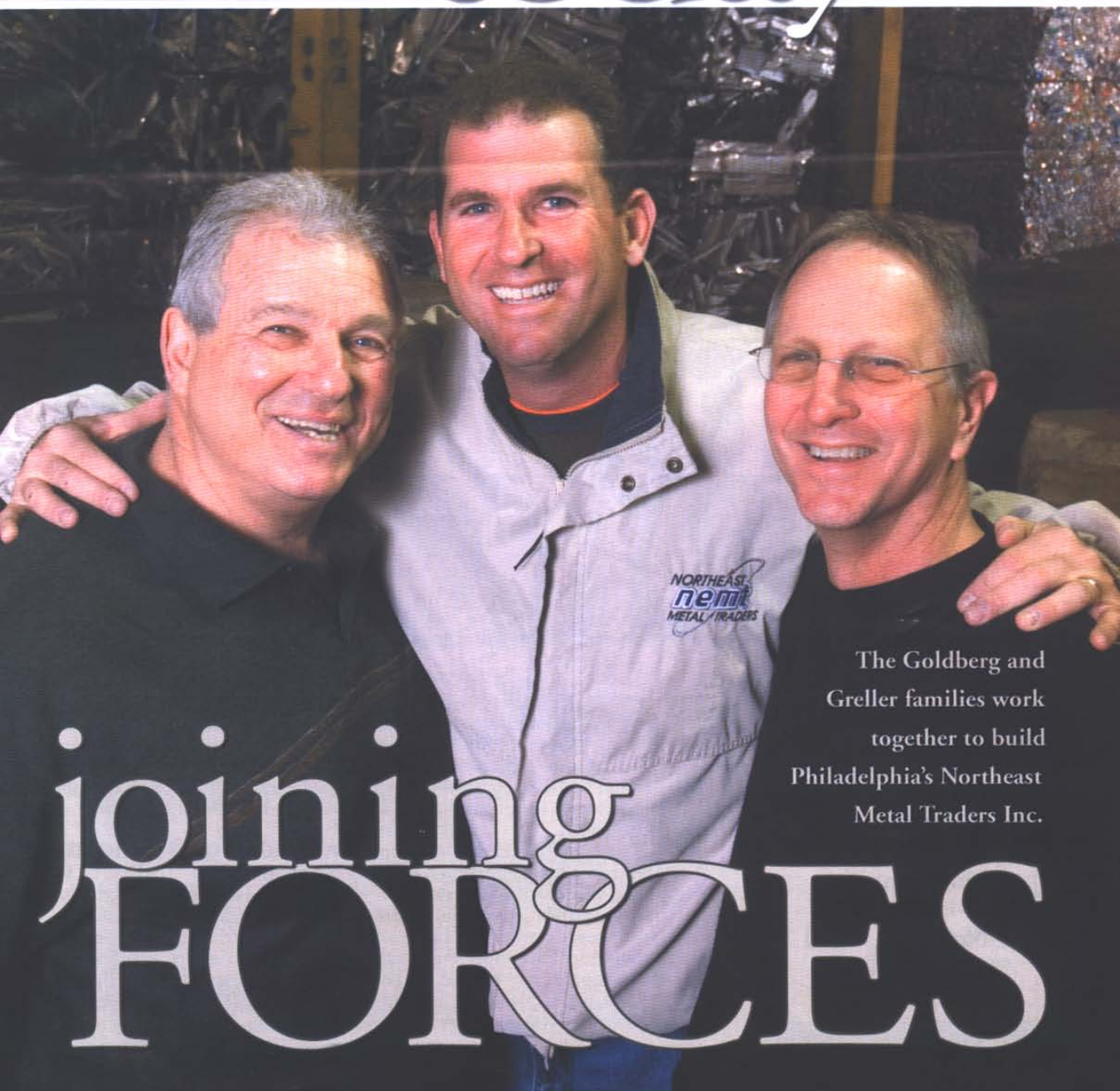
**ALUMINUM LOOKS FOR  
BALANCE OVERSEAS, p34**

**RAIL SERVICE LAGS  
AFFECT RECYCLERS, p72**

The Business Magazine for Recycling Professionals

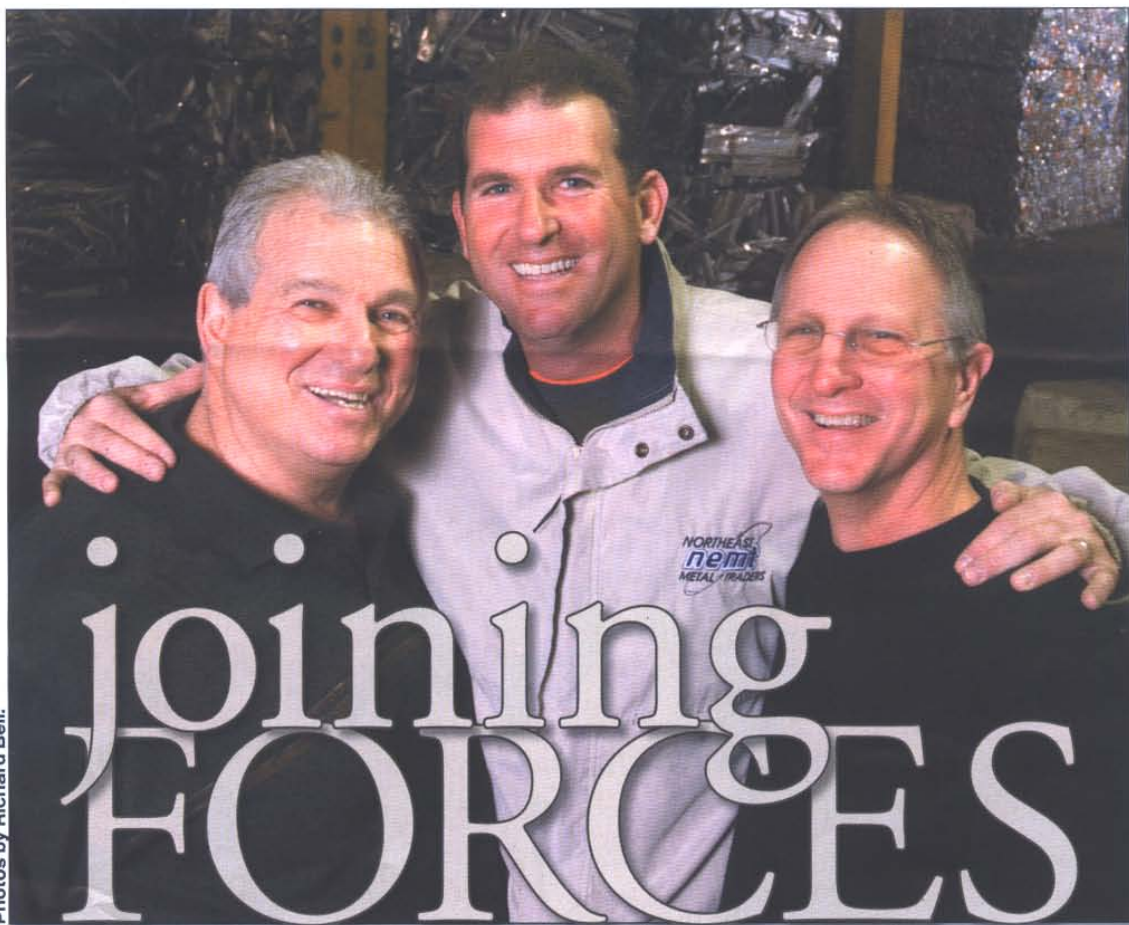
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The Goldberg and  
Greller families work  
together to build  
Philadelphia's Northeast  
Metal Traders Inc.

# joining FORCES



Photos by Richard Bell.

The Goldberg and  
Greller families work  
together to build  
Philadelphia's  
Northeast Metal  
Traders Inc.

Competition in the scrap business can be fierce. But in 1993, cooperation rather than competition was the key word for two families with scrap metal roots in Philadelphia.

That year, Mitchell Goldberg, Elliott Goldberg and Ron Greller joined forces to create the nonferrous metals wholesaling firm Northeast Metal Traders Inc.

Since its inception that year, the company has thrived to become a major player in the non-

ferrous market on the East Coast. It now purchases and processes large volumes of aluminum, red metals and other nonferrous grades that are shipped to consumers throughout the world.

**A PLACE TO CALL HOME.** Northeast Metal Traders CEO Mitchell Goldberg started the company with his father Elliott and Ron Greller in 1993, but it was far from a new business for the Goldbergs. "My family has been in the wholesale nonferrous



business for three generations," he notes.

At their previous company, nonferrous traders Elliott and Mitchell had struck up a friendship and good working relationship with ferrous dealer Ron Greller, who by 1993 was operating the Morris Iron & Steel Co. in northeastern Philadelphia.

They reached an agreement that year to set aside 10 acres at the Morris site for Northeast Metal Traders.

According to Mitchell, the company started with "a one-person office, 10 warehouse and yard workers and one driver." He adds, "Elliott, Ron and I were the buyers, the sellers, the supervisors and did just about anything that was necessary to help the business grow. It seems like we worked seven days per week, 12 hours per day to get the business going."

Hard work has paid off, Mitchell reports. "By our second year, we had more than doubled our volume, and by the fifth year we had doubled it again," he com-

ments. "And we are still growing in our 14th year. We have added warehouse space, paving and have increased our fleet of equipment. The three of us are firm believers in re-investing into our company."

Today, Northeast Metal Traders occupies 10 of the 25 acres at the Morris Iron & Steel site, including 200,000 square feet of indoor space. The company now has 70 employees involved in trading, sorting and processing.

The company uses a Harris HRB baler, a magnetic shaker table, metal analyzers, hydraulic cranes, skid-steer loaders, forklifts and a fleet of trucks and containers.

"Northeast has the capability to process 1 million pounds per day," says Mitchell. "We dump and sort almost all inbound material for quality control purposes."

Further material upgrading may be accomplished through sorting and through re-sizing material, such as using a LaBounty

shear to chew larger aluminum pieces down to the sizes preferred by melting destinations.

"We ship a great deal of wire and cable," notes Mitchell. "We strip a lot of it and sell to both domestic and overseas markets."

**VOLUME POSITIONS.** The managing partners of Northeast Metal Traders have worked to build the volume the company handles because it fits in well with the company's basic operating philosophies.

"We are absolutely market buyers, and not position buyers, of nonferrous metals," says Mitchell. "This concept allows us to buy major tonnage from our suppliers and, with the major tonnage, it gives us the opportunity to optimize our position in the domestic and global markets. Thus, it gives our suppliers access to the best markets for their material."

The company's suppliers are largely scrap dealers operating throughout eastern North America. "Northeast buys primarily from other scrap dealers—that's our focus," says Mitchell. (See the "Wholesale Perspective" sidebar on page 32.)

Even with the ability to work with a wide network of suppliers and consumers, the company is mindful of not being caught off-guard by shifting commodity prices, especially in the volatile markets of the past two years.

"We are firm believers in back-to-back selling and buying," says Mitchell. "Northeast tries to eliminate the risk—we may not hit a home run, but we won't lose our houses either."

Says Mitchell, "We turn total inventory every 10 days—everything that comes through these doors is pre-sold or is sold shortly after it is brought in." The system means that son Mitchell and fa-

## AT A GLANCE: NORTHEAST METAL TRADERS INC.

**PRINCIPALS:** Elliott Goldberg, Mitchell Goldberg and Ron Greller (pictured at left, from left to right)

**LOCATIONS:** Headquarters and plant in Philadelphia

**NO. OF EMPLOYEES:** 70

**EQUIPMENT:** HRB baler made by Harris Waste Management Group, Peachtree City, Ga.; guillotine shear; magnetic shaker table; hydraulic scrap handlers with multiple attachments; fleet of skid-steer loaders and forklifts; fleet of tractors, vans, containers, trailers and dump trailers; inter-circuit TV monitoring system with 35 cameras throughout the facility

**SERVICES PROVIDED:** Nonferrous metals recycling, including purchase and pickup from clients consisting mostly of scrap dealers and processors; sorting, processing and shipping of materials domestically and overseas





**BUILT TO LAST.** The growth of Northeast Metal Traders has involved hard work, but the partners who own it also seem to realize that retaining their enviable position requires a similar amount of hard work.

"I believe you have to work very hard in this business to be successful," says Mitchell. "It's not an easy business to be in. It means long hours and hard work in what can be a harsh environment. You truly have to love this business."

That hard work cannot be accomplished only by the CEO and president, Mitchell is quick to point out. "We believe in an educated and well-trained work force; it's part of our success," he states. "A scrap company has to have a talented and dedicated group of people, including supervisors, managers and crews, who work alongside us and share our pride in the company and its products,"

ther Elliott must communicate constantly and effectively. "Elliott sells most of the metal for Northeast, and I buy most of the metal. We talk all the time—we shout through the walls," says Mitchell.

Mitchell says the most enjoyable part of building the business in the past 14 years has been the opportunity to work so closely with his father.

"He does not dwell on anything that is not positive. That's one of his philosophies, along with the notion that a deal made is a deal and you stand by it."

In addition to his attitude and philosophy, Mitchell has also tried to absorb his father's industry knowledge. "He was born and raised in the scrap business—the amount of knowledge and experience he has is priceless," notes Mitchell. "Working side by side with him has been satisfying and a great benefit. He's my father, my best friend, my confidant—someone who I respect and idolize."

Adding the Greller family to the mix, which includes Ron and his father Stanton, who is now 86 years old, has also brought great benefits. "Ron is invaluable in operations at our yard. He has knowledge of en-

vironmental compliance and government issues and has always kept our operations on a firm footing with local and state agencies," Mitchell remarks.

## WHOLESALE PERSPECTIVE

Northeast Metal Traders Inc., Philadelphia, is among the nation's 12 largest shippers of nonferrous scrap, with most of its material coming from scrap dealers in the northeastern states.

The company has focused on being a wholesaler for scrap processors throughout eastern North America who are willing to let Northeast find the best melting destination for their material.

"We handle almost no retail (street trade) material," says company CEO Mitchell Goldberg. "We do service industrial and demolition accounts, but our focus is the scrap dealer. We purchase scrap from dealers as far north as Canada, south to Virginia and west to Chicago," he notes.

Consolidating large volumes of uniform scrap grades and shipping them via several affordable routes is a key to Northeast's wholesale success. "We are a volume-based company," Mitchell states. "To serve the global markets, we are fortunate to have easy access to three major piers, shipping major tonnage through New York, Philadelphia and Baltimore." Reaching domestic mills and foundries is made affordable by the company's location near Interstate 95 (north-south) and the Pennsylvania Turnpike (east-west).

In order to retain scrap dealers as loyal customers, Northeast is careful to concentrate on the wholesales aspects of the business, rather than offering retail competition. "We like to take orders that can be filled by our customers—we don't buy much retail," says Mitchell. "That way, we protect our scrap dealers in the area and keep the opportunities available for them."



adds Mitchell.

Among other keys to keeping Northeast as an industry leader (it ranked 12th on *Recycling Today's* 2005 list of the Largest Nonferrous Scrap Processors in the U.S.), Mitchell includes reinvesting profits back into the infrastructure of the business.

The importance of the company's reputation is an intangible factor that Elliott's "a deal is a deal" mentality helps preserve. "Your good name is your most important asset," Mitchell says. "It's the one asset your money can't buy."

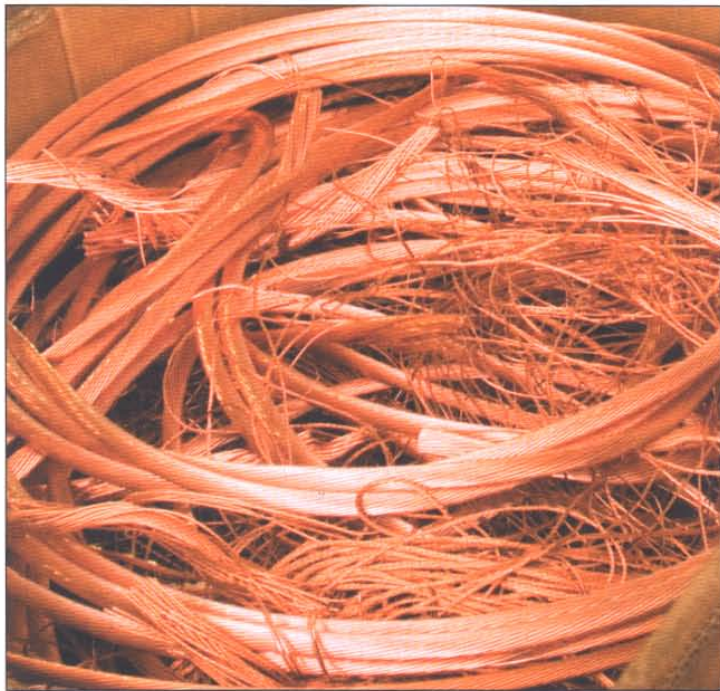
Providing good service will also be necessary to keep Northeast viable. "We see ourselves as service providers and support our suppliers so they can ship quality goods to our door," says Mitchell. "If that means finding time for a last-minute container pickup, or providing special payment terms, we will find a solution to fit their needs. We try

to make life in the scrap business an easy process for our supplier base."

Service toward suppliers is the first arc of a circle that must also include quality shipments to consuming destinations. "We are pleased with the level of quality that we can expect from our main suppliers, which in turn makes us proud of the quality we deliver to our customers," says Mitchell.

"We have grown larger each year and we plan to continue to grow by expanding our market and strengthening our relationships in the market—both as a buyer and seller," Mitchell says. "Like all businesses, you have to keep growing. We have many plans in the works for expansion and upgrades to our physical plant," he adds. "Our business plan is constantly being improved and modified to keep up with ever-changing market conditions." **rt**

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## NORTHEAST METAL TRADERS

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  - Copper
  - Brass
  - Nickel Alloys
- Up to the Minute Pricing
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- Prompt Settlements



### BROKERAGE OF DOMESTIC AND INTERNATIONAL SHIPMENTS

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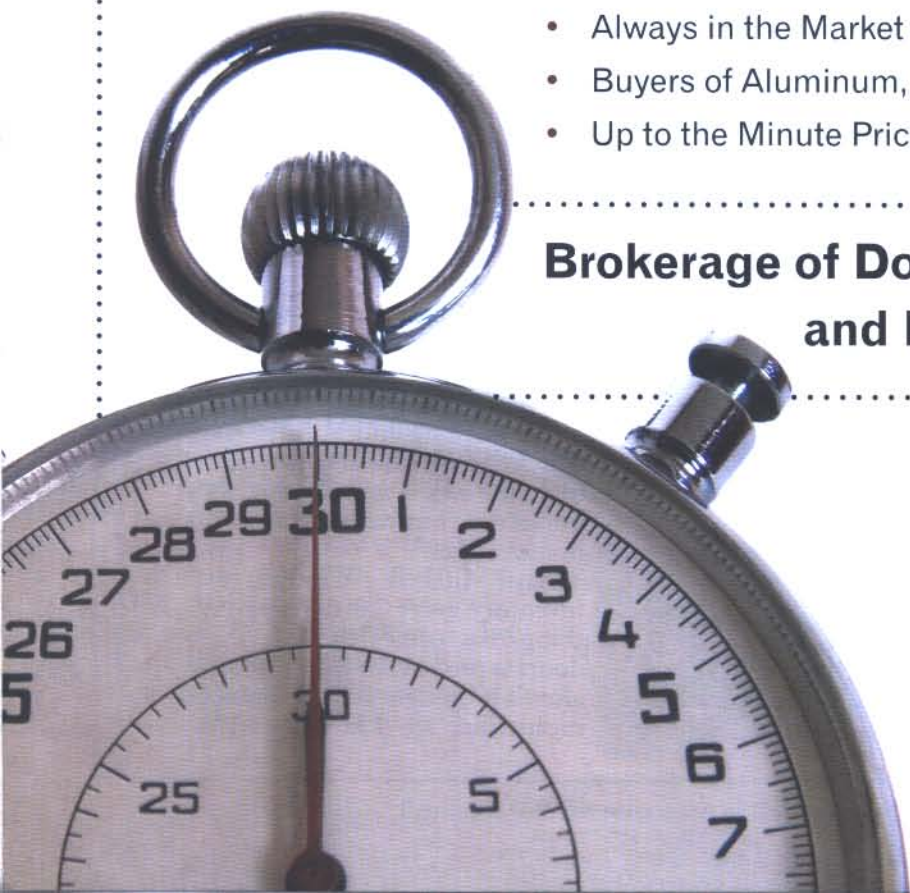


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