

ALL in The FAMILY

Vendor Profile: The Mahogany Company

The Mahogany Company and Viking have enjoyed a successful business partnership that spans more than a half century. Naming his business after one of the hardwoods he sold, Maurice Aaron founded the Mays Landing, New Jersey, company in 1945, providing lumber to local boatbuilding companies. When Bill and Bob Healey bought Peterson-Viking Builders, a small struggling New Jersey builder of 37-foot wooden sportfishing boats, the Mahogany Company was one of the first vendors they did business with.

"My grandfather sold the Healeys lumber when they were just starting out," says Mahogany CEO and Chairman George Maurice Aaron. "As Viking grew through the years, so did we, adapting, changing, surviving and thriving together." Viking's relationship with

Mahogany serves as another example of a cooperative business venture that has endured for decades because it's based on the shared principles of trust, loyalty, dedication, respect and a passion for boatbuilding. "I really believe we've been able to work so well over the years because we are both close-knit family companies and share the same business philosophies," says George.

Maurice Aaron turned the business over to George's father, George Bromily Aaron, who in the mid-1950s began guiding the company through a transition from selling wood to fiberglass. "My father was smart, and saw the writing on the wall," says George. "He knew composites were the future." George B. is retired now, but is still an active member of company board of directors



Clockwise: The Mahogany trucks frequent the Viking plants; Like his father, George Maurice taught his son the business; Our shipwrights install a Mahogany coring kit in a Viking hull.



and plays a role in all major decisions. "At 87 years old he's still sharp as a tack," says George M. "He's my advisor with a wealth of boatbuilding knowledge and wisdom."

The fourth generation of Aarons is already in the fold at Mahogany. George's son, George Peter Aaron, began working for his dad as a teen-ager. "I did a lot of sweeping in those days, but I was given the chance to work my way up the ladder," says George P., who is now Vice President of Sales. "I took on more and more responsibility and now I am helping keep this family company strong and growing." In addition to the three Georges, there are four other family members in the business. George M.'s sister, Peggy Hamilton, for the past 10 years has served as the company's corporate secretary, and her husband Bobby Hamilton was with Mahogany for about 35 years, retiring as president in 2007. Bobby and

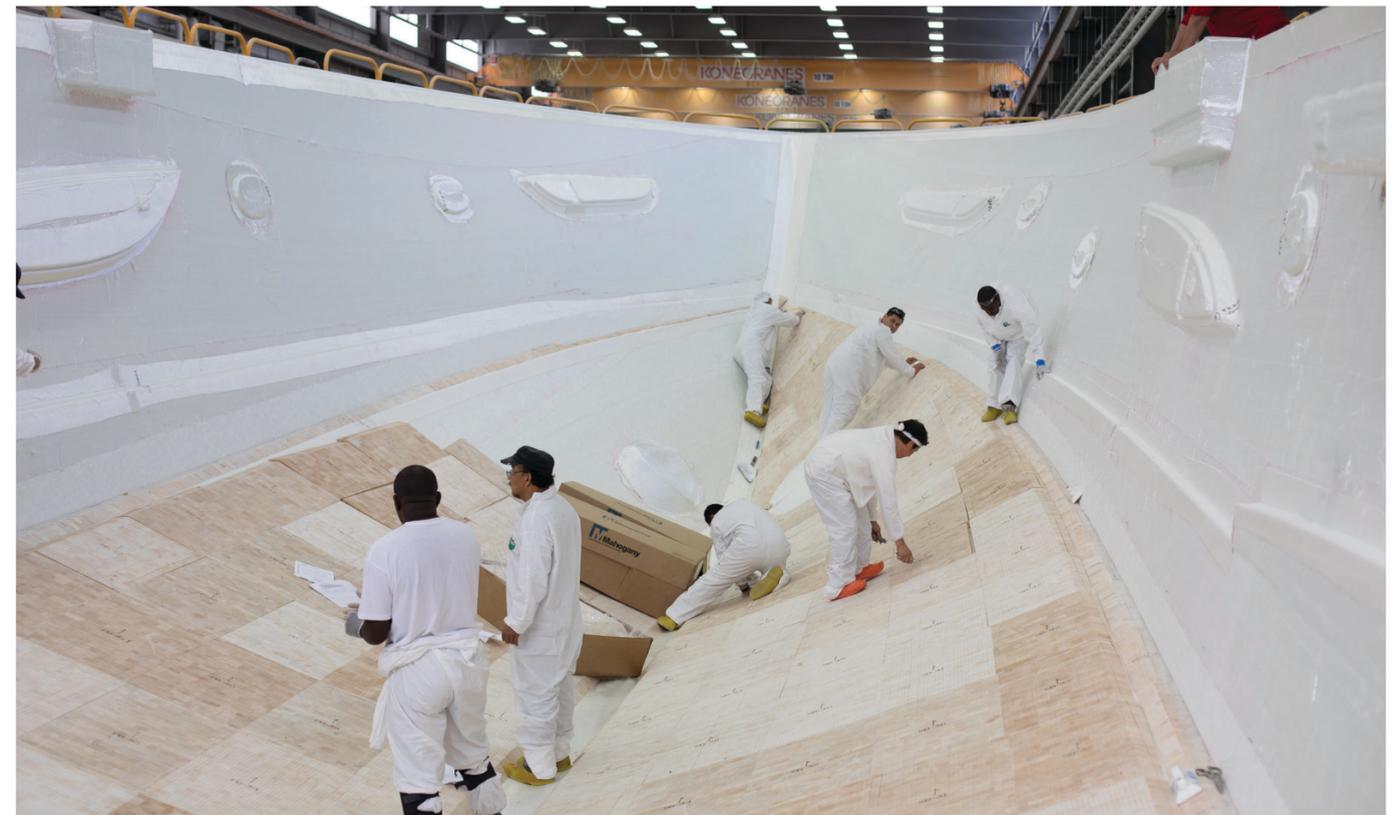
Peggy's daughter, Megan, is the Human Resources Manager, and Megan's husband, Mike Brennan, is the company's Vice President of Operations. Talk about a family business.

Team Work

After decades of distributing a wide variety of boatbuilding materials, everything from gelcoat to resin to adhesives to fiberglass fabrics, Mahogany in 2007 became a specialist in pre-fabricated customized fiberglass and core material kits.

"That's when we began doing more and more business with Viking, and today Viking accounts for about half of our business," says George M. "We feel like we are part of Viking. Our departments are connected to your departments in a lot of ways. We really work well together."

Viking, Mahogany, Vectorply and 3A Composites join forces, using their experience, boatbuilding



Clockwise from left: George Maurice Aaron (left) and his father, Maurice (center), and his son, George Peter (right); David Jones, Viking FRP Manager and George P. examine the coring of a deck in Viglass; Mahogany supplies materials for all Vikings, including the new 68 C.



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knowledge and technology to create the custom kits. It starts with Viking, Vectorply and 3A researching and choosing the types of fabrics and coring material to be used to build the boat. Viking generates a 3D model that is then used by Mahogany to develop the size and shape of the materials for the kit. This process in itself is complicated, with Mahogany using a “flattening” software to convert the images from 3D to 2D to cut the materials.

It’s a massive, four-company coordinated effort. From Viking you have Vice President of Design and Engineering Lonni Rutt, FRP Research and Development Manager Bill Heller, Production Supervisor of FRP Juan Beltran, materials manager Bob Pharo and FRP Manager David Jones. The Mahogany players include George M., George P., Mike Brennan, Senior CAD Design Manager John Lyons, Production Manager Joe Velez and CAD Designer and Quality Control Manager Damien Pocknett. 3A Composites is represented by Rich Knipe and Russell Elkin, while Seth Holman, Tamir Levy and Trevor Gundberg are the principal players from Vectorply.

Mahogany operates three facilities – a cutting shop, a warehouse and a panel manufacturing building — totaling more than 100,000 square feet. Mahogany employs about 75 workers. They buy a variety of fabrics such as bi- and tri-directional fiberglass and carbon fiber fabrics from Vectorply and core materials such as end-grain balsa and PVC foam with varying densities from 3A Composites.

Mahogany’s craftspeople use seven different cutting machines, including one five-axis CNC router and a trio of three-axis routers, to precision cut the laminates and core materials for each section of the boat, from the foredecks, to the engine beds, to the bulkheads, to the deckhouse to the hull itself. Mahogany on any given day can be cutting parts for two to four Vikings. On this particular morning, two separate three-axis routers are whirring away, cutting parts for an 80 Convertible. At one three-axis machine, operator Joe Pagliarella uses an air hose to blow away dust particles, revealing two precisely shaped sections of coring that will be part of the 80’s engine room bulkhead. On the other side of the building, Matt Virus keeps a sharp eye on the carbon fiber as his three-axis router’s conveyor belt moves the material while a robotic arm carves out the pre-programmed

shapes. “The most important part of the job is paying close attention to the material,” says Matt. “One slip will ruin the entire cut, and carbon fiber is one of the most expensive materials we handle.”

The coordination between Viking and Mahogany is critical, says Bob Pharo. “I talk to them every day, sometimes two or three times a day,” says Bob. “The materials need to be here on time. And Mahogany makes sure they are. They’ll work overtime and weekends.” Another plus: The Mahogany Company is local, only a 30-minute drive from Viking’s New Gretna, New Jersey, headquarters. “It’s nice to have them in our backyard,” says Bob. “I don’t think we could pull it all off with a company that was hundreds of miles away.”

The Move to Infuse

Viking has been using the resin-infusion boatbuilding process for its hulls for nearly a decade, and had been using this technology to build small parts such as fuel tanks, hatches and doors for many years prior to that. The Mahogany Company along with 3A Composites and Ashland were very much a part of Viking’s move to infuse.

“We had to step up our game,” says Mike Brennan. “When you’re infusing, everything has to be perfect or otherwise you wind up with cosmetic issues – and that’s just not acceptable. We had to improve our process; improve the quality of the machines; and most importantly our software had to be upgraded.”

Like Viking, the Mahogany Company consistently invests in equipment and technology. That’s why Mahogany will soon take delivery of a second five-axis router, a \$165,000 machine. “It can be used as a three-axis router and it will serve as a backup to our current five-axis machine,” says George M. “People depend on us. This gives us more of a safety net.” You can talk about technology and machinery all day long, but you also need productive passionate employees that want to learn and grow. “Our employees are dependable and hard-working, and we take care of them,” says Peggy Hamilton. “We have an Employee Appreciation Day, and we do a lot of things for our employees behind the scenes that we really don’t talk about. Mahogany and Viking are very supportive of their employees, and that’s part of the shared business philosophy we have.”



Clockwise from top: To be prepared, Mahogany has a large surplus in its warehouse; the kits have multiple pieces; Mike Brennan, Vice President of Operations, has been with Mahogany 18 years; the 68 C deckhouse before and after it’s pulled from the mold.



Mahogany’s high-tech routers, advanced software and skilled workers have allowed it to meet Viking’s strict construction specifications.



Got Your Back

Mahogany’s workforce dropped to 15 at the height of the Great Recession. “Viking kept us alive,” says George M. “The recession was tough for everyone. We are very thankful that Viking had the financial strength and wherewithal to continue introducing new models.”

Mahogany had been a loyal supplier Viking for 40 years, “so we were quick to step up and help them any way we could,” says Viking Chief Financial Officer John Kasinski. “Our relationship with Mahogany is defined by true commitment between the two companies.”

This wasn’t the first time Viking and Mahogany weathered a financial storm together. In the luxury tax years in the early 1990s, Mahogany along with a select group of suppliers helped Viking battle its way through the roughest period in its 53-year history. Mahogany was one of the first vendors to agree to Viking’s 2.5 percent plan, says John.

“They allowed us to continue to buy – we didn’t have to pay COD – and we could extend the terms for about 60 days, sometimes longer,” says John. “Anything we owed them up to the luxury tax we put to the side as a non-interest bearing note that amortized at 2.5 percent per month of the original balance. The help that they gave us will never be forgotten.”

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