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HBJ PHOTOS | STEVE LASCHER

Air Industries Group CEO Lou Melluzzo. At left is a landing gear assembly for the military's E-2D Advanced Hawkeye aircraft.

Roller-coaster Ride

With World War II-era roots, Barkhamsted machine shop Sterling Engineering aims to double in size amid broader turnaround effort

By Harriet Jones
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“We’re looking to expand our footprint in Connecticut a lot over the next coming years,” Lou Melluzzo said as he surveyed the busy shop floor at **Sterling Engineering** in Barkhamsted. “I really want to expand this facility to almost double the size.”
Improbably sited in the midst

of quiet farmland in the Litchfield Hills, this 75,000-square-foot facility employing some 50 people, makes turbine and jet-engine components, helicopter assemblies and ground power turbines as well as aircraft landing gear.

Its parent, Air Industries Group, has a variety of long-term agreements with most of the country’s big original equipment manufacturers, including Sikorsky, Pratt & Whitney, Rolls-Royce

and Electric Boat.

Eighty percent of its business is from military programs.

Melluzzo, the **CEO of Air Industries**, has been riding a roller-coaster in the last few years since he took over. But he says he’s within sight of a successful turnaround of this historic business, with a major expansion plan in the works.

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Sterling Engineering

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Farming roots

Sterling is historic because it's been a Barkhamsted fixture since World War II. In 1941, in the wake of Pearl Harbor, **John A. Lavieri**, who had been farming this land with his family, decided to get in on the war effort by building a machine shop.

"They started by cleaning out one of the barns and fixing it up to a higher-quality building and acquiring two or three machines to move in there, displacing the cattle and the horses to another outbuilding," said his grandson, **John N. Lavieri**, in a recent interview.

Lavieri Sr. knew the trade: he had trained as a toolmaker during World War I, and worked at other shops around the Hartford area.

"There was a tremendous amount of business available for all kinds of shops, even little startups like this embryonic company," said his grandson. "And they were swamped in work, running 24 hours a day, seven days a week to support the war effort."

That's how Sterling Engineering was born. John N. Lavieri, brought up in the business, took over as president in the 1980s.

"They ended up evolving out of the toolmaking business and into the production of component parts on other products like jet engines, in particular helicopters, submarines, ground turbines – and they thrived," Lavieri recalled. "At one point in the late 80s, I think we got up to 220 employees."

But eventually, the family succession plan faltered and the younger Lavieri looked to sell the business. Enter Air Industries Group, a publicly traded company that has its flagship facility at Bay Shore on Long Island, and at that time was in growth mode.

Turnaround task

The New York company actually made three Connecticut acqui-



Sterling employees (from top) Tim Hayes, Milet Adoux and Dominick Dileo working in the company's Barkhamsted shop. Sterling Engineering employs about 50 people. The company makes turbine and jet-engine components, helicopter assemblies and ground power turbines as well as aircraft landing gear.



sitions in 2015 – Sterling came into the fold alongside South Windsor's AMK Welding and Waterbury military products packager Eur-Pac.

"In 2017 I came into a company that had nine different divisions, nine different little businesses," Melluzzo said.

A New Britain resident, he'd previously been chief operating officer of EDAC Technologies in Cheshire. Melluzzo was brought in to execute

a turnaround at Air Industries Group; the first task was to streamline and cut costs.

In Long Island, he consolidated all of Air Industries' holdings into a single campus that remains the group's headquarters. He closed the Waterbury business and sold South Windsor. But in Sterling Engineering he saw potential.

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Sterling Engineering

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“We went on a full-bore offense on business development during COVID,” he said. “We really increased our backlog substantially in the last couple of years.”

The company says from December 2022, its fully funded backlog, supported by firm customer purchase orders, increased by 36.7%, and now stands at almost \$118 million.

Sterling Engineering’s sales increased 33% in 2024, which followed a 20% increase in 2022, the company said.

Through the first nine months of 2024, Air Industries reported a \$560,000 operating profit, reversing an \$882,000 loss in the year-ago period, according to its financial filing. Revenues during that time period were up 5.6% to \$40.2 million.

After the pandemic disruptions and industry-wide supply chain problems, Air Industries is now one year into a five-year strategic plan, which includes making capital investments in Sterling Engineering’s campus and infrastructure.

The Barkhamsted facility is getting a new roof, solar panels and exterior revamp. The company also recently invested \$2.1 million in machine tools to create capacity for new contracts Sterling is bringing in, notably a \$33 million, seven-year deal to build components for the military’s CH-53K King Stallion helicopter program.

Melluzzo is also investing to solve lingering supply chain issues, occasionally in-sourcing certain tasks.

“We have a brand-new paint booth as a secondary process that we didn’t have prior to COVID,” he said, remembering the frustration of prior issues. “I got a million dollars worth

AT A GLANCE

Sterling Engineering

Industry: Manufacturing

Top Executive: Lou Melluzzo, CEO of parent company Air Industries Group

HQ: 236 New Hartford Road, Barkhamsted

Employees: About 50

Contact: 860-379-3366

of gear in inspection and I can’t send it because it needs a top coat.”

Another project that will expand Sterling’s capabilities includes integrating a very specific vintage welding machine Melluzzo said he just had shipped from California. It’s been certified by the military for many years to weld the landing gear for the Navy’s E-2D Advanced Hawkeye radar aircraft. These planes land on aircraft carrier decks, and the V-shaped gear that drops from the back of the aircraft catches a wire that halts the aircraft.

“It’s old, but it’s the only flash welder in the world that can weld those things,” he said. “It’s a special type of weld. That looks relatively easy, but that stops like \$150, \$180 million aircraft. They’re not going to fool around.”

Capturing that market could be lucrative in terms of repeat business. Although Northrop Grumman only builds a few new E-2Ds each year, the landing gear for every plane that’s still flying is replaced regularly.

Growth mode

Melluzzo describes the kind of enterprise he’s building in Connecticut and Long Island as big enough to absorb sizable contracts, but small enough to be nimble and

remain competitive.

“What makes us attractive to an OEM — to a Pratt, a GE or a Boeing — is that we can burn a lot of hours, take on pretty good-sized projects and not get full, and yet still deliver at the cost of a smaller mom-and-pop shop,” he said.

As he aims to grow the business, Melluzzo said he sees upside in the commercial market, which is almost untapped for Air Industries Group. While they don’t have capacity to build assemblies like landing gears for large commercial jets, he would like to go after the growing private jet market.

And while New York remains the flagship campus, the beneficiary of much of the expansion is likely to be Sterling’s Barkhamsted site. The company has extra acres to grow here, and compared to Long Island, its property taxes and other costs are lower.

“I already have contacted a builder to be able to put another 50,000 minimum square feet out here,” Melluzzo said. “Total investment so far — today we’re at about \$15 million ... and that’s probably going to increase once we start working the building here.”

“I’m a Connecticut boy, always have been,” Melluzzo said. “And this place is going to succeed come hell or high water.”

Meanwhile, John Lavieri, grandson of the founder, is able to see all of this activity from his home — the old farmhouse that still sits adjacent to the parking lot of the machine shop his family built.

“I’m a very close neighbor,” he said. “When I go out to get my paper in the morning, the factory is well in my view.”

And once in a while, he says, he’ll still wander through the door to what used to be his grandfather’s barn, to say hello and see what’s happening in “the shop.” ◀