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Vision Quest

ISCO Industries
Lays a Path for the Future
with HDPE Pipe





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By Bradley Kramer

If you're not thinking long-term, you're not thinking ISCO Industries.

That goes for customers. That goes for employees. When you deal with ISCO, you better want to be part of the story.

The story starts 44 years ago in Louisville, Ky., where Jim Kirchdorfer Sr. started the Irrigation Supply Co. as a distributor of irrigation materials for his contracting company, which specialized in underground golf course irrigation, a concept that was then relatively new to the region. Among other things, the company stocked clay pipe and manhole products.

In 1975, Kirchdorfer was offered the distributorship of a pipe product from Phillips Petroleum, called Driscopipe, a high-density polyethylene (HDPE) pipe. That same year, the company began distributing McElroy Mfg. fusion equipment, necessary for HDPE pipe connection. Thereafter, HDPE became the focus.

ISCO pared down its supply products in 1980 in an effort to specialize in what made the company unique — HDPE and golf course irrigation products. The company also opened its first fabrication facility to manufacture HDPE fittings.

By the late-1990s, ISCO was perched on the verge of major expansion. The company had purchased the patent for Snap-Tite HDPE pipe, which does not require a fusion machine for joining pipe and has been popular for gravity flow systems, sliplining, highway culverts and applications where the pipe is difficult to access with a fusion machine. In addition, a larger fabrication facility had been built in Louisville and Kirchdorfer had turned over the company to his sons, Jimmy Jr. and Mark. Jimmy took over as general manager in 1995 and has since become president. Mark is vice president of operations. The elder Kirchdorfer has remained as the chairman of the board.

When Jimmy and Mark took over, there were two ISCO facilities, both in Louisville, and the company mainly dealt in the Midwestern states of Kentucky, Indiana and Ohio. July marked the opening of ISCO's newest fabrication plant, again in Louisville. With more than 200 employees, ISCO now operates 20 facilities that dot the U.S. landscape, with one in Alberta, Canada, that opened in April and marks the company's first location outside the United States.

What has led to this exponential growth, Jimmy says, is ISCO's companywide vision, a vision that can be summed up simply as "long-term" — long-term goals, long-term solutions, long-term customers, long-term employees, long-term everything.

"We call it a vision," Jimmy says. "It's not really a goal where there's a time limit on it. We don't know when we're going to get there. We might have some good years when we have the wind behind us or we might have the wind in our face."

ISCO wants to be the best in delivering HDPE products, Jimmy says. The only way he says that is possible is to have a staff of caring employees who put the needs of the customers above all else.

"We have a hierarchy in our company where we always put the customers' needs first, employees second and shareholders third," Jimmy says. "So many large companies put the shareholders first. We just said no. If you don't have any customers, you're not going to be able to take care of your people and you're not going to be able to take care of your shareholders."

"If [the customers] have a successful project, then we'll be successful."

A Focus on Greatness

ISCO is one of the leading suppliers of HDPE pipe and supplies in the United States. The company's goal is to be what it calls 'a great company' — specifically in the area of HDPE. This vision has led the company to expand its facilities rapidly,

going from two to 20 during the past 10 years. ISCO has prided itself on being a pioneer of HDPE pipe in municipal use.

"We want to become the greatest brand in the piping industry, wherever people see our logo they know our commitment to quality and service," Jimmy says.

To realize that vision, ISCO employees must realize that everything starts and ends with the customers (mainly contractors, engineers and municipalities), who pay all their salaries. That means understanding customers' needs. Contractors are on a tight schedule. Not only must ISCO deliver its products where and when the customer requires, but the company must also predict any additional needs.

"We're kind of the one-stop shop supplier for all HDPE needs," Mark Kirchdorfer says. "Polyethylene pipe is all we sell. We are entirely focused on that. We're not out selling concrete pipe or ductile iron and clay pipe. We dedicate all our resources to serving polyethylene customers and growing this industry."

Part of growing the industry includes education. With HDPE there are "a lot of technical dos and don'ts," especially with welding techniques, Mark says. ISCO sponsors its own hands-on fusion academy, a free, year-round traveling seminar program on HDPE pipe-joining techniques such as butt fusion, electro fusion and mechanical connections.

"Polyethylene has some unique characteristics compared to other materials," Mark says. "You need to understand the characteristics to make sure you do it right."

ISCO's dedication to and expertise with HDPE helps the company meet its customers demands. If you're looking for those other piping products, Jimmy says don't call ISCO. His goal is be able to meet customer needs as those needs evolve.

"To be the best at something, you have to focus on it," Jimmy says. "We can't sit here and say we're the best at everything."

Considering all the facets involved with HDPE — the pipe, the fusion equipment, fittings, testing and so on — ISCO has made it a point to find the best people for the job. Jimmy says the company has been fortunate to attract strong employees and he attributes that success to the story of ISCO.

"Most of the time you have a company that has been around a long time, but is not growing very quickly," Jimmy says. "Or you have a company that is growing very quickly, but they haven't been around a long time. It doesn't have deep roots and isn't very stable. At ISCO, you have a company that has deep roots, is very stable and is also growing at a quick pace."

ISCO's long history and continuing success also help the company attract long-term customers, he says.

"We're trying to develop customers for life," Jimmy says. "We know we're going to be in this business for the rest of our careers. We're trying to think long-term and do things that are going to impact us five and 10 years down the road."

But how do you get all the employees to buy into this long-term thinking?

Each year, ISCO sets three annual goals. As an incentive for meeting those goals, the company offers every employee a series of benefits. If the first goal is met, every employee gets the week off between Christmas and New Year's Day. If the second goal is met, everyone gets \$500 spending money. And if the third goal is met, they all receive two plane tickets to anywhere in the United States.

Celebration of company success is another strategy ISCO uses to get its employees to buy into its philosophy.

As with its yearly goals, the company also sets a vision. One such vision was to become a \$100 million company in terms of revenue and facilities to service that level of business. The company achieved that vision in 2005 and ISCO treated its employees to a three-day cruise in the Bahamas.

"Companies don't celebrate successes enough. They're constantly driving," Jimmy says.

Companywide celebration helps unite the employees and create a sense of forward thinking, Jimmy says. Since ISCO has seen its vision come to light, it has since set a new vision.

"People started to look at me like, 'What next?'" Jimmy says. "We want to be more of an international player and start bringing our products around the world. That was what was such a big deal about opening up in Canada. It was really about getting outside the United States. We'd like to go to some more places."

Beating the Stigma

The main benefit of HDPE is that it creates a virtually leak-free system because it eliminates gaskets by being fused together. However, for many years, municipalities were reluctant to change pipe material and use "that funny black pipe."

Changing pipe product is one of the biggest decisions a municipal engineer can make during a career, Jimmy says. ISCO understands that concern and seeks to prove to municipalities that HDPE works for everyday use.

"We wanted to be a pioneer in promoting HDPE pipe for municipal applications," Jimmy says, explaining that ISCO partnered with contractors to convince municipalities to use trenchless methods and HDPE to solve pipeline problems. "That's where we would come in and we were really good at explaining the benefits and creating a market for HDPE pipe."

Pipelines are only as strong as the joints, Jimmy says. HDPE pipe doesn't have any joints because the fusion process creates one solid line of pipe, eliminating leaks.

"In the past, leakage was acceptable for a water company," Jimmy says. "They would lose 10 to 20 percent — you hear all these numbers — a year in un-billable water. We have a way to provide them with a zero leak rate system."

Other benefits of HDPE are its flexibility and smoother surface, which provides fewer internal and external restrictions, aiding flow volume and installation, Mark says. The pipe is also very durable.

"When you're renewing the pipe with plastic, you're renewing it for life," Mark says. "The reason that these existing lines fail is because they corrode over time."

Contractors using trenchless technologies have helped ISCO expand the HDPE pipe industry into the municipal market for new construction and rehabilitation, Mark says. Such trenchless methods as horizontal directional drilling (HDD), pipe bursting and sliplining have gotten municipalities more familiar with HDPE.

"Trenchless methods drive our business," Mark says, explaining that polyethylene pipe has always been accepted in "hard applications" that involve trenchless solutions, such as crossing streams or highways. "What trenchless has helped us do is — trenchless methods were always good for solving the hard problems — well, if it works so well for these difficult situations, it works great for the pretty straightforward ones too. So, it's really been a springboard to get [HDPE pipe] accepted in a lot of applications."

COVER STORY



Since its beginning in 1997, the ISCO Fusion Academy has provided more than 10,000 students nationwide with hands-on instruction and demonstrations of HDPE fusion and joining techniques.

ISCO strives to educate engineering firms about HDPE applications and promote trenchless applications to further grow into the municipal market, Jimmy says. Experience, however, is the best promoter of HDPE.

“Once people start using it, they don’t seem to go back,” Jimmy says. “[HDPE is] growing in the municipal business. It grows every year.”

ISCO also does a significant amount of rental business with McElroy fusion equipment and electro-fusion machines, Mark says. The rental business helps new users of HDPE learn the equipment before they buy their own.

“A lot of people buy machines,” Mark says. “Once they use polyethylene pipe, they understand the advantages of it, they start using more of it. A lot of those people purchase their own equipment. Whereas newer people come in the market, they’re renting equipment for awhile before they purchase.”

ISCO also distributes Fast-Fusion equipment, Marks says, explaining that the machine speeds up the pipe-connection process by cooling the welds as it moves along to improve productivity.

ISCO’s seven large-scale custom fabrication plants, located in Kentucky, Maryland, Alabama, Florida, Texas, Utah and California, help the company provide innovative, sometimes one-of-a-kind, solutions for customer needs, Mark says. These facilities manufacture various fittings for systems, manholes and other structures from HDPE products, as well as ISCO’s patented products, such as Snap-Tite.

Family Matters

The saying goes that a family is for life. That certainly jives with the company’s concept of long-term thinking, which may explain why the family-owned and operated business has been successful.

“It’s been great,” Jimmy says of working with his father and brother. “We always have something to talk about.”

Jimmy dispels the myth of any sibling rivalry or difficulty working with his brother.

“A lot people say to me, ‘I couldn’t work with my brother.’ My comment is, ‘Well, I couldn’t work with your brother either.’ I think the key is we both respect each other’s talents.”

That sort of respect for family combined with long-term thinking carries over into how ISCO deals with its employees and their families. ISCO started a scholarship plan in 1990 to help its employees send their kids to college. The program pays half of the out-of-pocket tuition expenses for employees’ sons and daughters who qualify for the four-year scholarship.

Since the scholarship program started, ISCO has helped send 22 students to college. It’s something that Jimmy says he is proud of because it reflects the values of the company.

“We want people to feel like they’re a part of something special,” Jimmy says.

Bradley Kramer is assistant editor of *Trenchless Technology*.

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