

THE WHOLESALER®

News of Plumbing • Heating • Cooling • Industrial Piping Distribution

PVF Hall of Fame celebrates seventh year

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It's with great pride that we unveil the seventh consecutive year of the PVF Hall of Fame. The high standards of distinction achieved in previous years have been maintained by current entries—manufacturer Legend Valve and distributors National Oilwell Varco and Consumers Pipe & Supply. The selection committee of *The Wholesaler* publisher Tom Brown, editorial director Mary Jo Martin, valve industry expert Don Caffee, with myself as chairman, enthusiastically welcome the new entrants.

They now include 14 manufacturers, two association icons and 21 gilt-edged distributor groups. The only unfortunate digression from these otherwise distinguished PVF distributors is US Flow, comprised of four outstanding individual entities that fell prey to the corporate mismanagement, which attempted to take this combined group public and failed. That group totally misunderstood what had made the PE Georgia Group, Mutual Manufacturing & Supply, Plotkin Brothers and Bertsch & Company so successful over the years.

The greatest tribute to the success of all the others is that six of them have been acquired and two others have been in discussion regarding acquisition possibilities. It's no coincidence that



The 2008 inductees into our annual PVF Hall of Fame are (clockwise from top): Michael Abeling, president of Consumers Pipe & Supply; Robert Workman, general manager of National Oilwell Varco; and David Hickman, owner of Legend Valve. Morris R. Beschloss introduces the inductees, each of whom tells his company's story.

Ferguson acquired Frischkorn, Liberty Equipment and Davidson Pipe after they had been inducted in to the Hall of Fame. Or that both McJunkin and Red Man Pipe, charter entries in 2003, were taken over primarily by premier Wall Street investment banker Goldman Sachs. A part of the Red Man Pipe purchase—which ran a close second to McJunkin in PVF sector revenues—was Bear Tubular, which had been considered as a prospect for induction at the time Red Man acquired them, after both they and Ferguson had considered them favorably.

Among the charter manufacturer entries,

we are especially proud of the success of Weldbend, under the seamless control of Jim Coulas Jr. He took over from my dear and close friend, Jimmy's father, James Sr., who died the afternoon of July 4 last year.

Also notable is the success of another wonderful colleague, John Leone, who has recently branched into a full line of cast steel valves. Bill O'Hagan who, we hope, will soon recover from his indisposition, can stand proud over the way he steered Mueller Industries out of bankruptcy after it had been acquired by the Quantum Mutual Fund.

Such famous brand names as premier

2008 PVF Hall of Fame

For the first time, people most closely associated with the PVF Hall of Fame inductee companies will tell their own stories. Here *The Wholesaler* presents David Hickman of Legend Valve, Robert Workman of National Oilwell Varco and Michael Abeling of Consumers Pipe and Supply.

Past PVF Hall of Fame Inductees

Manufacturers

Company	Inductee	Year
Bonney Forge	John Leone	2002
Conbraco	Carl Mosack	2002
Crane	Shel Evans	2004
Fisher Controls	Terry Buzbee	2007
Jamesbury	Howard Freeman	2002
Keystone	Galen Brown	2002
Legend Valve	David Hickman	2008
Milwaukee Valve	Herschel Seder	2002
Mueller Industries	Bill O'Hagan	2005
Nibco Inc.	Lee Martin	2002
PVF Roundtable	Sidney Westbrook	2006
VMA	Morris Beschloss	2002
Velan Inc.	Karel Velan	2002
Victaulic	Gary Moore	2007
Watts Industries	Tim Horne	2004
Weldbend	James Coulas Sr.	2002

Distributors

Company	Inductee	Year
Affiliated Distributors	William Weisberg	2006
All-Tex Pipe & Supply	Jill Brock Hurd	2007
Bergen Industrial Supply	James LaPorte	2003
Chicago Tube & Iron	Donald R. McNeeley	2003
Columbia Pipe & Supply	William Arenberg	2005
Consumers Pipe & Supply	Michael Abeling	2008
Davidson Pipe Supply	Peter Davidson	2003
Ferguson		
Commercial & Industrial	Rob Braig	2006
Frischkorn	Jack Clark	2003
F. W. Webb	John Pope	2005
Independent Pipe & Supply	Ed Nierman	2003
Kelly Pipe Co. LLC	Earle Cohen	2003
Liberty Equipment	Larry Senescu	2003
Macomb Pipe & Supply	Bill McGivern	2004
McJunkin	Bernie Wehrle	2003
National Oilwell Varco	Robert Workman	2008
Piping & Equipment Inc.	Gary Cartright	2003
Porter Pipe & Supply	James Porter	2007
Red Man Pipe & Supply	Lew Ketchum	2003
USFlow	Rick Waters	2003
Wilson Supply	Jim Owsley	2004

inductees Conbraco, Crane, Jamesbury, Nibco, Milwaukee, Velan and Watts continue to distinguish themselves as industry leaders.

We are particularly happy with the three newcomers whom we have brought under the magnificent umbrella of the Hall of Fame. They are:

- **Legend Valve** — This is the first full-line global manufacturer of brand-name valves that offers a quality line of overseas products, but meets the highest standards of quality and service, according to the testimony of its distributors and end use customers. Its approvals by contractors and architect/engineers have accelerated; and they are the recipients of substantially additional revenues, provided by their acquired new business, combine with the current PVF sector momentum.

Owner/CEO David Hickman expounds on the unique nature of this “platform” company in the profile on page 3.

- **National Oilwell Varco** — This publicly listed super manufacturing/ refining/distribution concern has joined Wilson Supply as only the second distribution organization among the upstream Hall of Fame entries. It's a segment

that will be more actively focused on in the future, since its involvement in the oil patch, through drilling, refining, transmission and maintenance is becoming increasingly important to the industrial sector. With \$7 billion in distribution revenue generated, it's becoming readily apparent that not paying closer attention to this indispensable subsector has been a PVF industry oversight. General manager Robert Workman's story on page 4 is a gratifying revelation of National Oilwell and its business.

- **Consumer Pipe & Supply** — This Los Angeles-based distributor is an uplifting example of how a family business has grown into a major factor within its Southern California and greater Las Vegas locations. Under the leadership of Michael Abeling, an industry activist, this multi-generational, multi-branch distributor has greatly increased its business and profitability in recent years. It's certainly riding the crest of the wave of increased business in a highly competitive, geographically diverse market area. Mike's well-crafted article on page 6 provides insight into this highly regarded West Coast concern. ■

2008 PVF Hall of Fame

Legend Valve

Defining its unique legendary status

BY DAVID HICKMAN
Special to *THE WHOLESALER*

Many times we have been asked why we named the company Legend Valve & Fitting. The answer is simple: the name personified the passion of the founders to create something extraordinary that would long endure the test of time. Founded by entrepreneurial spirits — the late J. Robb Baubie and myself (now the CEO) — a company named “Legend” had already set the bar; it had better live up to the expectations.

Legend recognized that change was in the air. For the first time in our industry, world-class manufacturing was emerging from an unlikely source, outside of

Legend guarantees that our customers' orders will ship 100% complete in 24 hours or we will automatically grant 5% off.

America. Automated casting, forging and assembly processes were being developed in lower cost countries with an eye on the U.S. market. Legend knew that this trend would only accelerate and had the potential to change the face of manufacturing forever.

However, what they were lacking was knowledge-based American ingenuity. Legend knew that if it could integrate its knowledge with these quality processes, and deliver these products to the wholesale market with the shortest lead-time possible and the highest fill-rate achievable, our customers would see the value and they themselves could realize lower costs and greater profitability. So began the quest for gaining greater control of the supply chain.

Legend Valve decided not to follow the lead of others, but to find a way to be different. Instead of becoming simply an “importer,” we decided that we could

actually improve the products by investing in tooling, equipment, engineering and design capabilities. Legend has degreed engineers supported by a team of technicians, including licensed master plumbers. Legend already has several patents and a myriad of newly designed products and ideas we believe will be patentable. Product development and design are geared towards specific market segments including the commercial, industrial and residential markets. Legend strives to be a leader in each of these categories

As domestic manufacturers are moving more of their own operations to lesser developed countries — resulting in some of the products becoming more pseudo domestic today — Legend is increasing our presence on the factory floor by committing its own human resources to guarantee the quality of our products. We do not rely on trading companies to do this job for us as others do. That simply isn't good enough to ensure the level of quality Legend demands.

Consequently, Legend has evolved into a hybrid of sorts. Not simply an importer and not necessarily a manufacturer in the traditional sense. Today, a name has been given to this type of company as described by authors Charles and Louis-Vincent Gave and Anatole Kalesky in their book *Our Brave New World*. The authors refer to these companies as “Platform Companies.” Platform companies are those that have their own product engineering staff that designs new products and improves existing ones. They have patents and tooling but they outsource all the manufacturing. The finished product is then marketed, sold and warranted under the platform company's name. In *Our Brave New World*, Dell Computer is used as an example of a platform company.

Legend believes that this business model allows us to be more responsive to



**Legend Valve
owner/CEO David
Hickman**

changing market conditions, regardless of where the change occurs. However, quality products are only part of the story. Legend guarantees our products like most others do, although our warranty is more comprehensive than most. However, Legend was the first, and — as far as we know — the only company in our industry that guarantees performance. Legend guarantees that our customers' orders will ship 100% complete in 24 hours or we will automatically grant 5% off. We guarantee that our customers' transactions will be 100% accurate or we discount the error. We even guarantee the sale of our products or they can be returned for any reason at any time with no re-stocking fee. We call this focus on the needs of our customers Downstream Thinking®. We promise that you will not find another company as easy to do business with as Legend Valve.

So it began, and we are proud to report that Legend has set the benchmark for performance in the industry. While many may consider statements such as; “Our goal is customer astonishment,” or “Every request is a special request” platitudes, at Legend Valve it's an attitude! This company is truly unique. Every legend employee is outwardly focused on exceeding the needs of our customers; every policy is geared towards making it easy for our customers to do business with us. Every initiative is designed to make our downstream partners more successful. This is a company that truly understands the needs of its customers. The culture that has been created and maintained here is unlike anything in our industry. That is the real key to our success. Without them, we are just, well, ordinary. ■