

Strategic Growth Enabled by Automation



Gas & Supply Maps the Road to Successful Growth

The United States economy grew 1.9% in 2013, a decrease from the 2.8% growth rate in 2012. However, economic growth on a state-by-state level has been dramatically different than the country as a whole. Oklahoma, for example, experienced GDP growth of 4.2% in 2013.

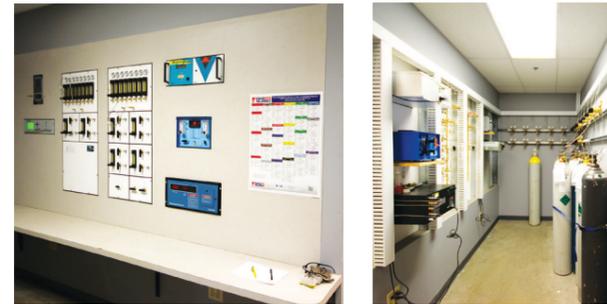
Charting the Course for Growth

Gas & Supply, a distributor of welding equipment and gases that was founded in Louisiana in the early 1980s, has been strategically fostering its future by investing in states with rapid GDP growth. "In the last 10 years we've doubled our number of stores, targeting expansion in the growth areas of the country," explains COO John Rogstad. "We've focused on Texas, Alabama and Oklahoma." The firm's foray into Oklahoma began in 1996 in Oklahoma City, and more recently spread to Tulsa in 2010.

Rogstad notes that servicing the Tulsa market with industrial gases from its fill plant in Oklahoma City (a 1996, vintage swing-arm setup) limited its ability to grow in the region. "From 2011 to 2012, gas sales from our Tulsa location grew by 275%. We had to do something to handle that growth and enable future growth, besides leaning on the Oklahoma City fill plant."

Having the Right Equipment to Get You There

Gas & Supply made the decision to fill cylinders in their Tulsa location, and commissioned Weldcoa, making it the third fill plant Weldcoa has completed for Gas & Supply in the last 2 years, including Houston, TX, and Birmingham, AL. The new automated pallet fill island in Tulsa features two oxygen pallet fill heads and two inert mixture fill heads, with five bays on each side of the island. Also included are a medical E-cylinder fill system, auto-shutoff liquid-cylinder and CO2 filling system, and an analytical lab.



"The lab allows us to analyze industrial, medical and specialty gas cylinders, including welding shielding gases and laser-gas mixes, along with 5.0 grade pure specialty gases," says Todd Smith, facility Vice President. "We've found the lab to be a considerable sales feature for attracting new customers, and it gives us a competitive edge."

Rogstad agrees, "If you want to have a quality system and quality products, you must have the equipment to verify the quality. That's why we continue to invest in analytical labs at our plants. We could design the labs, and specify and purchase the lab equipment ourselves, but we've found that having Weldcoa engineer and install the analytical labs ensures the process works flawlessly. And we haven't had to worry about a single thing."

Enjoying the Ride

"The new Weldcoa setup has fueled our growth and allowed us to make a huge impact in the Tulsa market," Smith says. "Average monthly sales increased 1100% in just 3 years (40% gases, 60% hard goods). That's a significant jump from around 15% of sales from gases in 2010, and we think we're on the way to flipping the ratio and achieving 60% of our sales in gases." Smith also noted, "we're at 50% capacity for the new fill island. There's plenty of room for growth."

"Having the Weldcoa systems in Tulsa gives us timely turnaround. We've picked up several new customers, due to our enhanced ability to satisfy just-in-time deliveries. That level of service will ensure our continued growth."

Trusting Others to Take the Wheel

Rogstad reflects on their ongoing relationship with Weldcoa. "We continue to work with Weldcoa primarily for their experience and expertise with automation. We've found their systems to be extremely reliable. And, we really appreciate how Weldcoa can monitor their systems remotely, and identify and correct any issues in a timely fashion—often before our local guys know there are issues. For example, we recently purchased two nitrogen tube trailers, and we had to set the programming. We called Weldcoa, and in less than 5 minutes they had us ready to hook up and start pumping. Now that's service."

"Weldcoa's filling and automation system has fueled our growth and allowed us to make a huge impact in the Tulsa market. And we are only running at 50% capacity for the new fill island. There's plenty of room for growth."

Todd Smith, Vice President, Gas & Supply - Tulsa Plant



"Any time we get a specialty mix from a customer," Smith continues, "it takes practically no time to reprogram and get the cylinders out, in an hour or two, thanks to Weldcoa's assistance."

Customers are expecting more accuracy with their gas mixes than ever before. Harry Fite, owner of the Oklahoma City facility, readily admits that there's no substitute for the reliability and repeatability offered by new, state-of-the-art Weldcoa technology. "With the automation and computer control evident in the new fill plant in Tulsa, variability is removed and process repeatability is ensured. For example, doing cylinder prefills on a scale provides perfect accuracy and eliminates any chance for human error," notes Fite. "The operators are hooking up and pushing buttons, and don't have to worry about following specified fill procedures—the computer manages that process."

Lastly Fite shares, "The growth we've experienced in Tulsa, with just two operators working at the island, would have required us to man our old swing-arm system with four people, just to move cylinders around and manage the system. The decisions we made in Tulsa will have lasting impact for years to come."



Filling Automation at Gas & Supply's Tulsa Plant Sets the Stage for Future Growth



Gas & Supply hires Weldcoa to design and install a fill island, medical cylinder and liquid filling systems, and a specialty gas lab.

Weldcoa's Sur-Fill automation system is included in the spec.

- "Just-in-time" delivery entices new customers
- Automation ensures gas mix accuracy and repeatability
- Lab confirms gas quality/Aides in the sales process

To learn more about automation call Weldcoa at 630.806.2000. Visit Weldcoa.com.

