

Drums with love

MANUFACTURING In a difficult environment, Chicago-based Skolnik Industries is continuing to prosper thanks to its broad range of specialist drums, technical know-how and unique customer approach

As is the case within other western economies, the market for steel drums in the US is not growing and, says Howard Z Skolnik, president and CEO of Skolnik Industries, hasn't been for more than two decades. "As a result of fillers moving offshore, many drum manufacturing companies making conventional 55 gallon (208 litre) drums have closed. There also has been a large amount of consolidation. The result is that in 1985 there were about 60 companies manufacturing new steel drums. Today there are seven serving about the same market size," he says, expressing his belief that the number of players "will reduce even more within the next few years".

"Frankly, I am not sure if there are any positive factors helping the steel drum market," Skolnik says. As well as volatile steel prices, the industry is not being helped by the US Department of Transportation (DOT) continuing "to broadcast the results of the LOGSA-Tobyhanna Validation Testing" that claim non-bulk packagings are failing at a rate of 80-100 per cent, something that "does not reflect in-field experience". On top of this, shippers using thinner-gauged drums in a bid to save money "continue to experience performance issues and move to other types of packaging".

"Even the reuse and recycling aspects of steel drums are being challenged by new regulation which could remove the option of reuse and reconditioning. Despite generations of successful performance, steel drums are apparently not seen as a part of the 'green' packaging movement and nothing could be farther from fact," he states, noting that units with 0.9 mm or 1.2 mm walls can be safely reused six to eight times while even those with reduced wall thicknesses can be reused two to three times.

Diverse designs

However, because Skolnik Industries does "not serve the conventional steel drum market", its "opportunities continue to expand" and not just within its home market. "Because of our diverse drum design types, applicable options and quality assurance procedures, our markets reach out to all seven continents where specialised or niche projects require packagings that are uniquely designed. We offer one of the largest varieties of UN-certified packagings (more than 150), ranging from 3 to 110 gallon capacities in

carbon and stainless steel, and focus on making products that other companies refuse or are not qualified to produce. From pharmaceuticals to military, dangerous goods remediation to food preparation, our customer base is as diverse as the companies in the stock market," he says.

Indeed, the company has now further expanded its offering with a new line of seamless 55 gallon drums that feature "completely smooth and joint-free" interiors devoid of "the conventional crevices in which product or bacteria can be trapped". Built to be "the mother lode of packagings", these open top and tighthead drums are constructed of 1.5 mm 304 or 316 stainless steel and are outfitted with body reinforcing bars as well as top and bottom foot rings. Fully UN-approved for the carriage of highly hazardous substances, such as nitric acid, the new line, Skolnik explains, also includes "an open head processing or sanitary version".

While its diversity keeps Skolnik Industries "in balance in both the good and the bad economic times", it is certainly not the only quality that helps the company stand out within the industry. "Our industry knowledge is vast, our network contacts are global and our reputation for quality is high. These are the issues which help us to meet the needs of our customers," Skolnik states. "We are not a least-cost supplier but we are the best value as we help to protect our customers from risk exposures that could be costly and potentially non-compliant. When one shops for hazmat products, it's critical to examine more aspects than just costs. In the long run, we help our customers save money for their companies while increasing the integrity of what they package."

Unique reputation

"Skolnik does have a unique reputation," he continues. "One of [the factors behind this] is certainly our corporate personality. Our talented staff is well known for being creative, intelligent and hospitable. We don't just appreciate our customers, we love them and in addition to our business interests we look for other common interests which help us to better understand their style, goals and expectations. The integrity of our products, quality and service is essential but with that addressed we also like to have some fun!"

Looking to the future, Skolnik reports that, while recent changes within the DOT's Pipeline



Howard Skolnik

and Hazardous Materials Safety Administration (PHMSA) were "an unexpected blow to the progress that was being made in terms of improving packaging integrity and the safe transport and disposal of dangerous goods", the company will continue to work with the new line-up to advance the cause of dangerous goods safety. "To this end," he says, "we will work to improve the accuracy of the LOGSA/Tobyhanna Validation Testing in an effort to have the Tobyhanna results reflect the accurate in-field safety and performance of US hazardous material packaging."

Although the general economic situation clouds the longer term with uncertainty, Skolnik remains upbeat. "In the US, we are still in a recession and thus we are living with a recession mentality," he says. "By this I mean that we are stepping very cautiously into non-essential expenses and being careful to insure that the business we are getting is good business both in terms of performance and profit. This current period has allowed us to retool our manufacturing processes, rewrite our quality assurance plan and examine where the future of our business is headed. We see the direction being in line with our current niche strategy and with great penetration and success."

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