

A DRUM FOR ALL SEASONS

MANUFACTURING • SKOLNIK INDUSTRIES CONTINUES TO ENJOY HEALTHY DEMAND FOR ITS HIGH-END STEEL DRUMS DESPITE RISING COMPETITION FROM PLASTICS SYSTEMS AND IBCS

OFTEN DESCRIBED AS a 'boutique manufacturer', Chicago-headquartered Skolnik Industries produces a wide range of tighthed and open top steel drums. As well as more standard UN-approved units for the transport of dangerous goods, its portfolio also includes seamless/crevice-free drums, military-spec units and nuclear industry designs as well as salvage drums, overpacks and wine barrels. Moreover, priding itself on its can-do attitude the company regularly takes on very demanding jobs and design briefs beyond the capabilities of many other packaging manufacturers. Perhaps unsurprisingly then, Skolnik regularly finds itself servicing the needs of customers drawn from a very broad range of commercial and governmental backgrounds.

"Because of the diversity of our products, quality programmes and features, we are like 'paperclips to industry' – essential and everyone uses them," says president and CEO Howard Skolnik. "Our customers range from aerospace to zoos. As a result of the dangerous goods aspect to all our products, being UN-certified means that our customers use our drums to transport an array of substances that range from the over-the-road hazardous materials to high-integrity, high-security contents. Our customer groups

have not changed significantly in the past 12 months although we are not sure how the current political activities in the US will affect the coming years."

A CHANGED SECTOR

Citing the various trade bodies and associations that track steel drum production and reconditioning, including the Industrial Steel Drum Institute (ISDI) and the Reusable Industrial Packaging Association (RIPA),

Skolnik reports that the market for steel drums has been slowing growing of late after a long period of stability. "What has changed substantially is the number of companies that are manufacturing these drums," he notes. "In 1985, there were about 60 steel drum manufacturing companies, just in the US. Today, there are about seven companies, four of which are independently owned. The three multinational manufactures dominate the supply chain in the US and predominately service the 55 US gallon market."

"The bull market of the global economy has fuelled economic growth since the recession of 2008," he continues. "As a result, businesses are growing, as is the need for storing and transporting product. The view ahead does not indicate a change in growth. However, economic adjustments occur when we least expect them and I believe that manufacturers should be prepared to weather unforeseen changes in the economy."

THE BENEFITS OF STEEL

"As with any product, the negative factors that affect us are not as much competitive manufacturers, but competitive packagings.



RIGHT - HOWARD SKOLNIK: "I BELIEVE THAT STEEL DRUM MANUFACTURERS SHOULD BE PREPARED TO WEATHER UNFORESEEN CHANGES IN THE ECONOMY"

After all, the steel drum is not a new packaging – it's been the work horse of industry for over 100 years," Skolnik states. Furthermore, while today's steel drums boast greatly improved performance characteristics and other technical features, the delivered product, he says, "is hardly discernible" from a steel drum made 50 years ago. "While this statement probably will raise the eyebrows of current steel drum manufacturers, it does appear truthful to the millions of users around the world. Like paperclips, steel drums are essential and everyone uses them because they are a recognisable and reliable package for containing their contents."

What's more, steel drums are also incredibly versatile. "Steel drums are, by design, the high end of weight and capacity that can be maneuvered manually," Skolnik explains. "In other words, once contemporary conveyance systems are removed from the transportation system, steel drums are still able to be moved into work scenarios. Therefore, if content movement is from a large filling capacity to a large end user, it might be more advantageous to use a larger capacity type of packaging, such as an IBC or a bulk container. However, neither of these products can ever be manoeuvred with manual movement apparatus (such as a tilt-truck) and therefore are limited to large conveyance systems."

AVENUES OF GROWTH

Despite the many intrinsic benefits of steel drums, Skolnik Industries is not a company given to resting on its laurels, continuing "to pursue avenues of growth" that include both carbon and stainless steel designs. However, it's not just physical products that help the company stand out on industrial packaging market. "The development of our website resources and blog have made Skolnik the 'educator' of steel drum performance, regulatory interpretation, features, news and innovations," Skolnik says. "We recently reached our 32nd corporate anniversary and celebrated with our entire staff by acknowledging and awarding those members of the Skolnik team that reached five-year milestones. We are very proud of the longevity of the colleagues of our company and feel fortunate to have the dedication, knowledge and spirit of our team."



Similarly, as "a long-standing member" of RIPA, the Council on Safe Transportation of Hazardous Articles (COSTHA) and the Dangerous Goods Advisory Council (DGAC), the company is keen to foster and maintain solid working relationships with other members of the global steel drum and dangerous goods communities. "Unique to this global membership is the ability to utilise the products and services of local companies on every continent except one," Skolnik says. "Antarctica is the only continent in which I would have to say we do not have a local contact. Otherwise, from Australia to Zanzibar, we can link to local sources for supply chain services."

GLOBAL REPUTATION

"I believe that Skolnik has earned a global reputation of being a unique and premiere manufacturer of containers for dangerous goods transport and storage," he continues. "Our reputation is the result of being a sturdy fixture in the global market and a company that has always promised to produce products that are thicker, heavier and stronger than industry standards. The Skolnik knowledge

base and our global contacts gives us the ability to reach out to companies with special needs and fulfil their requirements. Most importantly, we remain an independent company that can respond swiftly to market trends and customer needs."

So, looking ahead, how does Skolnik view the long-term future? "This question," he says, "is best answered by quoting my mother who lived by a single phrase: 'When you make plans, God laughs!' Being raised with this philosophy, I've learned that while we love to make plans for the best scenarios, it's also important to have a Plan B and sometimes even a Plan C. If the global economy continues to move along at a rapid pace, interest rates remain low and regulatory issues are unchanged, then I suspect that Skolnik will continue to thrive. However, we know that it is prudent to prepare for global changes that may/might/will occur and thus our plans also take into consideration some of the unexpected outcomes. Nevertheless, like my mother said, even these contingency plans can sometimes make God laugh!" HCB www.skolnik.com