

## **MANUFACTURING**

US steel drum maker Skolnik Industries continues to stand out from the crowd thanks to its focus on quality, unit dexterity and a 'can-do' attitude that sees it taking on the sort of challenges many other manufactures would decline

Located "in the heart of Chicago", Skolnik Industries, says president and CEO Howard Z Skolnik, is "a heavy metal maker of steel drums of many sizes and exceptions". After acquiring a neighbouring 50,000-ft<sup>2</sup> (4,645-m<sup>2</sup>) facility in 2013, the company has now relocated its entire component manufacturing operations as well as its resale inventory to this new 'Building #2', significantly improving its manufacturing process and efficiency in so doing.

"Our urban manufacturing facility is under reorganisation to make way for

new equipment and improved operational efficiency," says Skolnik. "We never stop reinventing our manufacturing process because our customers will never allow us to remain 'status quo' with our production capabilities."

Priding itself on its design-focused approach combined with a major emphasis on unit quality and dexterity, the company is able to take on many highly demanding product briefs that most other drum makers would simply refuse. "Boutique, niche, custom, specialised... all words that we hear from our customers when describing Skolnik," he says. "It was not our marketing strategy to create this market but it appears that after speaking with other steel drum manufacturers, Skolnik is the only company that has the 'ears', patience and understanding to accept the challenges brought to us by our customers looking to solve their exceptional packaging needs.

"Whether package design, a marking system or a mode of packaging, Skolnik is the 'go-to' company for matching challenges with solutions. We have an engineering staff that is capable of creating solutions for just about all requests that we receive. Of course, some answers require commitment and

investment by our customers, and we work with them to achieve workable results."

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## **Expanded product line**

"One of our more active market development projects is working with our stainless steel line and expanding the product line and features," explains Skolnik. "At one time, we only offered one type of stainless (304), today we offer a half-dozen stainless types. Each stainless has different performance properties and each allows for different welding and forming options. In our case, we now offer stainless drums that are resistance-, mig-, and tig-welded. While performance for all these weld styles yield successful package testing, some offer better solutions for highly critical contents. Furthermore, these welding options are also available in our line of stainless process drums," he says. While these process drums are not UN-certified for transport, they nonetheless "serve as workhorses to the in-house manufacturing of chemicals, foods and pharmaceuticals".

But its not just Skolnik's flexibility, can-do attitude and stringent Nuclear Quality Assurance (NQA-1) programme HCB May 2015 STEEL DRUMS

that sets it apart from the competition. "In addition to our resourceful manufacturing capabilities, Skolnik is also a source of industry reference and intelligence," explains Skolnik. "For instance, our website has more than 3,000 pages of resources [the largest in the industry] that help our customers understand the issues they need to consider for regulatory compliance, packaging compliance, product options, news and trends that might affect their contents or shipments. There is a blog with almost 1,000 topics discussed and a regulatory 'Cheat Sheet' that links directly to definitions within the Code of Federal Regulations [CFR]. Most importantly, Skolnik has customers that purchase products repeatedly and that speaks volumes to us."

So, given all these resources and, of course, the company's extensive experience in the field, what advice would Skolnik offer a potential customer looking to source some steel drums? "While many shippers look to CFR as recommending a compliant method to package dangerous goods, in actuality, it is up to the shipper to find the best method for shipping the dangerous goods successfully," says Skolnik. "Just shipping a compliant package is not sufficient. Consideration must be given to the modes of transport that the package will undergo, the changes in climate and the reactive properties of the contents. Consideration must also be given to the reactive possibilities of the packaging material and the length of time the contents will remain stored in the package or drum. In most cases, choosing the minimum package, or even one that is marginal, does not comply with the requirements of CFR to ensure the safe transport of the dangerous good from point to point. Again, in-transit failures can be very costly and I believe it's wise to 'over-package' your product."

## **Critical contents**

"Since the introduction of Performance Oriented Packaging Standards [POPS] as a replacement for Specification Packaging, the steel drum industry has been using the reduction of metal thickness as a means to increase the attractiveness of steel drums. In other words, less steel, less cost," states Skolnik. "While POPS tests do expose steel drums to drop/hydrostatic/stack and leakproofness testing, the testing that might cause failure to metal puncture has been eliminated and, for the most part, some of the thinner drums are able to pass the drop and hydro tests. However, if a shipper is truly interested in a low-risk shipment and they are shipping expensive, critical or dangerous contents, then I believe it is not wise to reduce the packaging integrity and thereby increase the risk of transport.

"A case in point is that for a sea container filled with 55 US gallon [208 litre] drums of highly critical contents, a reasonable estimated value of the cargo could be as little as \$80,000 [assuming there are 80 drums, each with \$1,000 of contents]," asserts Skolnik. "By purchasing steel drums in which the metal thickness has been cut in half, the estimated drum savings could be up to \$2 per drum. Therefore, by saving \$160 [80 drums x \$2 savings = \$160] the shipper is doubling the risk of \$80,000-worth of critical contents. And while nail or forklift puncture is the number one reason for in-transit failures, this risk is further exacerbated by the potential costs of spill recovery, clean-up and leakage fines. All this risk in the name of saving \$160! Arguably, this is not a choice that is in the best interests of the shipper."

But the trend toward lighter steel gauges is certainly not the only change to have affected the regional steel drum industry over the past few years. "Since the 1980s, the steel drum market in North America has been cannibalised," says Skolnik. "Today, the market remains stable but teetering on the edge of curious change. There is a focus by the multinational manufacturers to improve their presence in the US market by closing their less efficient plants and tooling up their remaining plants to make higher volumes of drums with less diversity and greater minimum order requirements."

## Another year of growth

"From a positive perspective, business in the US has been strong in recent years and 2015 continues to look like another year of growth. Our customers continue to bring us new challenges for new products and this reveals that creative solutions are still needed for these new products," says Skolnik. "There has been talk of an 'energy renaissance' for about a decade as the US, and other developed nations, continue to increase their needs for power, especially in severe seasonal situations. Having had a moratorium on new nuclear energy facilities for years, the US has begun construction on a new facility in the south-east. It is believed that, despite the dangers that accompany a nuclear generating facility, the safety features and benefits make it the most desirable new source of energy. Part of this development will be the need for disposal of low-level by-products that often are packaged in steel drums and boxes.

"The US drum industry is directly linked to the US economy and currently the view ahead is positive," he says. "With a Presidential election looming in 2016, barring some unanticipated disaster, I suspect that the economy will stay strong and continue to grow. As this occurs, I am hopeful that the so-called 're-emergence of manufacturing' in the US will continue to produce new users of steel drum products in small, medium and large quantities.

"We recently renewed our rolling Five-Year Strategic Plan," he notes. "While the Plan does focus on growth, it most importantly focuses on the quality of growth, the lifestyles of our employees and the steps we'll be taking to further get 'out of the box' of mainstream drum manufacturing companies. We will be increasing our expenditures to purchase equipment that will help us fulfil our sustainability goals towards energy, waste and reuse. Our Quality programme will soon include ISO certification along with our audited Nuclear Quality Assurance programme. Our Engineering department has been expanded and, in addition to new product design, we will be focusing on manufacturing opportunities. Like a Star Trek mission, we're taking our past with us and using it to project us into the future. Our mantra is to... 'Make it so!'"