

5 questions

with Larry Houston

Larry Houston is the founder and president of American Pipe Bending Co., or APB Co., of Tulsa. A lifelong Tulsan, he attended Will Rogers High School and the University of Tulsa.

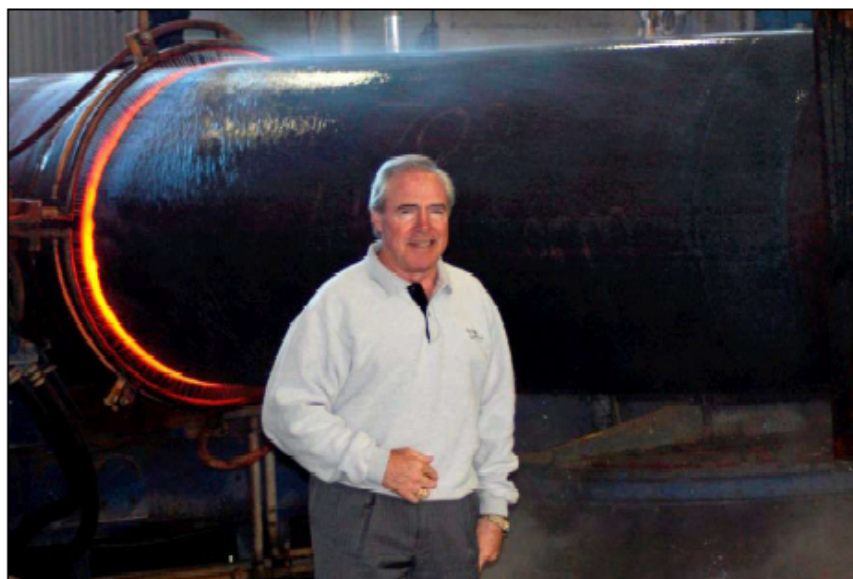
Interview by John Stancavage, World Business editor

1 Briefly, what does American Pipe Bending Co. do?

Our company does exactly what our name implies: We bend pipe. In fact, we can bend and coil pipe out of virtually all bendable materials, including carbon, stainless steel, copper, brass, aluminum, chrome and nickel-bearing alloys. APB Co. is one of the few pipe-bending companies in the nation, and the only company in Tulsa that can bend up to 42-inch OD (outside diameter) pipe, using state-of-the-art "electric heat induction" hot-bending and cold-bending equipment. We serve a diverse range of industries, including oil and gas, pneumatic conveying, architectural, food processing, agricultural equipment, utility, coal processing, pulp and paper, aircraft, automotive, solar and heating/cooling.

2 You had a record year in 2008, and 2009 is just slightly behind that. How have you achieved that kind of performance in the recession?

APB Co. has been very fortunate. We enjoy a strong management team in addition to our core group of highly trained machine operators and welders. In fact, from management to manufacturing, we have over 200 years of pipe- and tube-bending experience combined. Other keys to our success are basic business fundamentals such as long-term customer relationships, excellent quality and service, and taking care of our employees. APB Co. also has solid relationships with our vendors, and we enjoy strong financial credit with our lenders.



Courtesy

3 Have you seen an increase in the amount of work for your company as a result of the federal government's stimulus funding?

Absolutely. However, execution of contracts and launching of those contracts has lagged somewhat. All indications are that significant amounts of stimulus money will be allocated for infrastructure, which is a large segment of our business. Historically, APB Co. has performed significant large-diameter pipe bends for signs going over highway overpasses and bridges throughout the U.S. These long-term positive customer alignments will positively impact our signage and bridge work, and related solar requirements. Additionally, the 1990 Clean Air Act will continue to increase pipe-bending requirements throughout the coal, refinery, hazardous/solid chemical, indus-

trial and process-related sectors, which are all very important for the nation's long-term prosperity and for our business.

4 APB Co. has been at 3207 Dawson Road for 20 years. How has your business changed in that time?

The most significant change was the purchase of a state-of-the-art electric heat induction hot bending machine in 1994. It opened up a myriad of opportunities with various industries. The machine's cutting-edge technology and bending capabilities of up to 42-inch OD antiquates the sand-packed method of large-diameter pipe bending used by other companies. Another change has been the Internet, which has enhanced related research and sales capabilities for our company. Due to our growth, we expanded our plant to

more than 100,000 square feet.

5 You work internationally as well as in the U.S. What general advice would you have for other businesses that want to expand into foreign markets?

My advice is to be conservative. Understand all terms and your costs of doing business, as well as the expected margin of profit before entering the international marketplace. Worldwide affairs, i.e. political, socio-economic and military, all are factors in this arena. It is also important to be aware that repair, replacement and collecting receivables can be problematic. Identify a "niche" product, as I have done with our 42-inch OD capability, and potential customers will seek your product.