

## **C-B Nebraska Boiler doubles sales with new markets and large projects**

by Mark Schwaninger

C-B Nebraska Boiler doubled its sales in fiscal year 2007-08, manufacturing increasingly larger watertube boilers (steam generators) for new markets like the Canadian petroleum industry and for industrial construction projects around the world.

The Lincoln company recently built five large boilers — each 17 feet tall by 21 feet wide by 45 feet long — for Shell Canada, said Jack Weinberg, general manager. Each boiler generates 426,000 pounds of steam per hour, which Shell injects into the ground to extract crude oil from Canada's plentiful "oil sands."

"These boilers are so huge, we backed through the top of our doorway the first time we tried to move one out of the building."

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Weinberg said. "We shipped the last four yesterday. We use a specialized truck with a rig in front and back, so it pushes and pulls them."

Several additional orders from the Canadian company are forthcoming, Weinberg said.

"The oil sands in Canada are a big new market for us," he said. "We're looking at that as part of our future growth."

Today's high oil prices have increased business for C-B Nebraska Boiler, because oil must reach a certain price per barrel to make pumping it from oil sands economical, Weinberg said.

"Refineries are spending a lot of money to process more oil," said M. "Vasu" Vasudevan, director of engineering. "One of the biggest things they need is steam. We're seeing more and more interest in our larger boiler units."

The new Canadian petroleum market, combined with several large construction projects worldwide, allowed C-B Nebraska Boiler to exceed \$60 million in sales this past year. The company manufactures boilers for various industries throughout the United States and Canada, and in Argentina, Australia, China, Israel, Middle Eastern countries, Thailand and Trinidad, Weinberg said.

International customers now account for 40 percent of C-B Nebraska Boiler's business.

The bulk of customers use boilers to process heat in large buildings. Customers are from various industries — universities, hospitals, food processing plants, automotive manufacturing facilities, paper mills, hotels, casinos, pharmaceutical companies, prisons and others.

C-B Nebraska Boiler specializes in packaged boilers — shipping in modules that are assembled at the job sites, Vasudevan said.

Being landlocked in Nebraska, the company uses trucks and railcars to transport the boiler packages, he said. About 90 percent of international orders are shipped from a port near Houston.

"A few years ago, business was down — the economy was down," said Bob Kirkpatrick, compliance manager. "I've been here since 1985, and right now we're at the peak of our business due to new markets for our boilers and large, worldwide industrial construction projects."

"We doubled our sales last year, and we're looking for an increase above that in 2008," Weinberg added. "The outlook for our continued growth is there."

With sales increasing, C-B Nebraska Boiler is investing in updating its welding equipment and other machinery, its manufacturing processes and its computer systems to stay competitive, Weinberg said.

In March the company will replace its computer mainframe system with an Enterprise Resource Planning system to integrate all data and processes, he said.

An interdisciplinary team of employees is videotaping the company's current manufacturing processes to determine how to eliminate unnecessary steps and consolidate areas to improve efficiency, said Debbie Russnogle, human resources manager.

"We'll improve the flow, safety, production and quality of our work," she said.

The result will be an improved layout with an assembly line to flow the manufacture of products, which are currently assembled in one area and built up, Weinberg said.

"We're establishing the initial thrust of lean manufacturing," he said.

In September C-B Nebraska Boiler will



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begin to standardize several boiler designs that are currently custom designed. Weinberg said. The company will continue to custom design all boilers for about two years before implementing standardization, which will reduce reliance on engineering and allow mass producing many parts, he said.

After buying large drums for its boilers in recent years, C-B Nebraska Boiler will return to manufacturing them on-site this spring, Weinberg said. The move will increase the company's control of on-time manufacturing and fixing problems when they occur.

"Clever-Brooks' (the company's owner) philosophy is to manufacture everything, so we're committed to manufacturing in-house versus outsourcing," he said. "Working with our sister companies, we're a fully-integrated manufacturer."

As an example, Clever-Brooks owns a division that manufactures the 2-inch steam tubes that are welded into the drums in boilers.

Two other sister companies build the burners used in boilers, making C-B Nebraska Boiler a single-source manufacturer of boiler/burner package systems.

With its revenue growth, C-B Nebraska Boiler increased personnel from 199 to 228 in 2007, Russnogle said.

Finding enough qualified welders, manufacturing personnel and engineers is an indus-

try challenge, she said.

"A number of industries in Lincoln are looking for welders," she said. "We work with Southeast Community College and recently added seven part-time welding students."

Of the company's 125 welders, 112 are certified.

Founded in 1921 in downtown Lincoln as a boiler repair shop, the company moved to its current location at 6940 Cornhusker Highway in 1961. In 1991 the company added a large bay on the building's north side and expanded into a 105,000-square-foot plant (not including office space).

Clever-Brooks, a leader in the boiler industry for more than 75 years, purchased the company in 1998.

Weinberg was hired as general manager in August 2007. He has served as vice president of operations at Loral Space & Communications, a satellite communications company, and as vice president of operations for the Northrop Grumman B-2 Spirit aircraft program. Most recently he was a consultant in manufacturing systems and programs for ABeam Consulting in Tokyo before joining C-B Nebraska Boiler.

Weinberg holds a master's degree in business administration from Ohio State University.



**Bob Kirkpatrick, compliance manager, left, and Jack Weinberg, general manager and vice president of operations, in the manufacturing area ... Today's high oil prices have boosted sales for the Lincoln company, which doubled its sales of large watertube boilers around the world.**

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